

FBIS**DAILY REPORT****CONTENTS***China*

Vol I No 092

13 May 1985

PRC INTERNATIONAL AFFAIRS

GENERAL

PRC Criticizes U.S. Nicaragua Embargo at UN	A	1
International Youth Seminar Opens in Beijing	A	1
Peng Zhen Meets Leaders	A	1
'Text' of Peng Zhen Speech	A	2
Zhao Ziyang Welcomes Youths	A	3
Wu Xueqian Hosts UNHCR Hartling at Banquet	A	4
Refugees in PRC Get Aid	A	4

UNITED STATES

Sino-U.S. Commission Begins Trade Talks	B	1
Baldrige Delegation Arrives	B	1
Zheng Tuobin Addresses Banquet	B	1
Trade, Commerce Meeting Opens	B	1
Hu Yaobang Meets With New York Publisher	B	2
Geng Biao Meets Kansas Legislative Delegation	B	2
State Official Condemns SRV Incursion in Thailand	B	3
Navy Concerned Over Soviet Cam Ranh Bay Buildup	B	3

NORTHEAST ASIA

Further on Visit by Japanese Defense Official	D	1
Zhang Aiping, Natsume Meet	D	1
Yang Dezhi Fetes Group	D	1
Natsume Praises PLA	D	1
Wang Zhen Fetes Former Japanese Party Leader	D	1
Wang Zhen Meets Japanese Prefectural Group	D	1
Memorial Hall To Commemorate Anti-Japan War	D	2
DPRK Army Ensemble Visits Beijing Commune	D	2
[RENMIN RIBAO 8 May]		
Leaves Xian for Chengdu	D	3
KCNA Denounces U.S.-South Korean Buildup	D	3
DPRK Newspaper Denounces U.S.-South Korea Talks	D	4

WESTERN EUROPE

UK's Howe Calls Relations With PRC Excellent	G	1
Zhao Ziyang Meets With UK's Harold Wilson	G	1
Wilson Visits Tianjin	G	2
Swedish Official Hopes for Closer Ties With PRC	G	2
Turkish Prime Minister Plans June PRC Trip	G	3

MIDDLE EAST & AFRICA

Continued Reportage on 'Arafat Delegation Visit	I 1
Deng Xiaoping Meets 'Arafat	I 1
'Arafat, Wu Xueqian Talk	I 1
PRC, Jordan Officials Meet	I 1
Zhao Ziyang Banquet Speech	I 2
Delegation Ends Visit	I 3
Commentary on Visit	I 3
Wu Xueqian Fetes Nigerian Commissioner Gambari	I 3
Tian Jiyun Hosts Gambari	I 4
Wu Xueqian Meets Cape Verde Foreign Minister	I 4
Tian Jiyun Talks With Egypt's Abu al-Nur	I 5
Tanzanian Party Leader Visits Jiangsu's Yangzhou	I 5
Xi Zhongxun Meets With Somali Delegation	I 6
PRC Bank Official Assures Africans of Support	I 6

WESTERN HEMISPHERE

Argentine Leader Praises PRC Open Policy	J 1
Qiao Shi Meets Pugliese	J 1
Commerce Minister Fetes Canadian Delegation	J 1

PRC NATIONAL AFFAIRS

Price Changes Take Effect on Nonstaple Foods	K 1
Official on Price Changes	K 1
[CHINA DAILY 11 May]	
Illegal Price Hikes Checked	K 2
Market Scene Described	K 3
PLA Carries Out Streamlining, Reorganization	K 4
JIEFANGJUN BAO on Job Transfers	[9 May] K 4
JIEFANGJUN BAO on Streamlining	[11 May] K 5
Yu Qiuli on PLA Discipline Inspection Work	K 5
Air Force Commander Zhang Tingfa in Nei Monggol	K 6
WENYI BAO on Freedom of Creation, Comment	[7 Mar] K 7
HONGQI on Labor Day, Trade Union Anniversary	[7 May] K 11
BAN YUE TAN on New Grain Purchasing System	[25 Apr] K 12
State Council Circulates Report on Health Reform	K 13
State Council Circular on Depreciation Rates	K 15
Four Million Yuan Automobile Fraud Uncovered	K 16
[CHINA DAILY 12 May]	
Xinjiang Implements Reform-Through-Labor Policy	K 17
[RENMIN RIBAO 8 May]	
Space Technology Used in Civil Production	K 19
Foreign Editions of Deng Book Published	K 20
Henan County Works at Serving People Better	K 20
Hubei Hosts CPL Meets on Ideological Work	K 21
Rural Policy Director Discusses Production	K 21

I. 13 May 85

3

CHINA

PRC REGIONAL AFFAIRS

EAST REGION

Jiangsu People's Congress Holds Plenary Meeting	O	1
Wang Daohan at Shanghai Association's Inauguration	O	1

NORTHEAST REGION

Li Lian Inspects Heilongjiang Counties	S	1
Li Desheng, Guo Feng Open Shenyang Sports Games	S	1
[LIAONING RIBAO 24 Apr]		

NORTHWEST REGION

Gansu Holds Discipline Inspection Work Conference	T	1
Gansu Leaders Call For Developing Tertiary Industry	T	1

HONG KONG MEDIA ON CHINA

PAI HSING Interview in U.S. With Wang Zhen	[1 May]	W	1
XINHUA Hong Kong Names New Department Heads		W	7
[SOUTH CHINA MORNING POST 11 May]			

PRC CRITICIZES U.S. NICARAGUA EMBARGO AT UN

OW010333 Beijing XINHUA in English 1320 GMT 10 May 85

[Text] United Nations, May 9 (XINHUA) -- China, India, Tanzania, Mexico, Australia and France criticised the U.S. trade embargo against Nicaragua at today's U.N. Security Council meeting which is considering "the extremely serious situation" in Central America caused by the embargo.

Addressing the meeting, Chinese Deputy Permanent Representative to the United Nations Liang Yufan said, "The interference in the internal affairs of Nicaragua by the United States and its exertion of pressure on Nicaragua by imposing trade embargo and through other measures constitute violations of the purposes and principles of the United Nations Charter and will aggravate the tension in Central America to the detriment of the peaceful solution of the problem of the region."

He said that the Central American question should be settled on a fair and just basis by the Central American countries through negotiations in accordance with the principles of non-interference in each other's internal affairs and national self-determination and free from any outside interference.

He reiterated China's support for the Contadora Group's efforts for a peaceful solution of the Central American issue and hoped that the United States and the other parties concerned would respond with concrete actions so that the tension in that region might be eased.

Natarajan Krishnan of India reaffirmed India's solidarity with Nicaragua. He said that peace in Central America could not rest on policies of intervention, interference and intimidation, or on the threat or use of force, nor on coercive measure of any kind.

Shani Omari Lweno of Tanzania stated that in order to remove tension in Central America, Nicaragua in particular, it was of vital importance to put an end to all interference and threats from outside.

Porfirio Munoz-Ledo of Mexico stressed the urgent need to prevent tensions which might lead to confrontation in the region. He said his country had advocated dialogue between the United States and Nicaragua and offered its own territory for that purpose.

Richard Woolcott of Australia said that Nicaragua had the right to choose its own form of government without outside interference. The cycle of violence in Central America must be stopped, and the Contadora process must be fully supported by all states.

Claude de Kemoularia of France said that the economic measures imposed by the United States carried the seed of new tensions. France supported the negotiation process.

U.S. delegate Jose Sorzano, however, attacked Nicaragua by saying that the Sandinistas were continuing "to subvert and destabilize its neighbors."

INTERNATIONAL YOUTH SEMINAR OPENS IN BEIJING

Peng Zhen Meets Leaders

OW111034 Beijing XINHUA in English 1825 GMT 11 May 85

[Text] Beijing, May 11 (XINHUA) -- Peng Zhen, chairman of the Standing Committee of China's National People's Congress, met here today leaders of various delegations who are here attending the friendly gathering of youth from the Asia-Pacific region.

I. 13 May 85

A 2

PRC INTERNATIONAL AFFAIRS
GENERAL

Present also were Vice-Chairman of the NPC Standing Committee Banqen Erdini Qoigyigyan, and Vice-Chairmen of the National Committee of the Chinese People's Political Consultative Conference Cheng Zihua and Qian Changzhao. Attending the gathering are 30 youth delegations from the Asia-Pacific region, and 25 delegations from Africa, America, Europe and United Nations and other international organizations, with a total of more than 300 people.

'Text' of Peng Zhen Speech

OW120052 Beijing XINHUA Domestic Service in Chinese 0914 GMT 11 May 85

[Text] Beijing, 11 May (XINHUA) -- Peng Zhen, chairman of the NPC Standing Committee, addressed the opening ceremony of a seminar, "The Role of Youth in Peace and Development," this morning. The full text of his address reads as follows:

Dear young friends: It is an event of great significance that young friends from more than 40 countries and regions and a number of international organizations happily gather in the capital of our country today to discuss the issue concerning "the role of youth in peace and development." I am very delighted to have the opportunity to meet you here. On behalf of Chinese people of all nationalities, I extend a warm welcome to all young friends who are present today and cordial greetings to young people all over the world.

The UN initiatives to designate this year as International Youth Year and, under the themes of "participation, development, and peace," to advocate that society show concern for the growth of youths and bring into play their role reflects the common aspirations of young people the world over. It has received worldwide support and a positive response from the Chinese youth, as well as appreciation from the Chinese Government and people.

Peace and development are two major issues of global importance now. Their achievement is closely related to young people, and calls for their active participation.

Developing countries, which constitute the majority of the world's population, are fairly backward in their economies. These countries and regions are strongly demanding and striving for a change in the situation. China is a developing socialist country. Chinese people and youth have learned from their own experience that China's development must proceed from the reality in the country and, while adhering to the principles of independence and self-reliance, must open to the outside world in order to learn from advanced experience from abroad and absorb foreign capital and advanced science and technology.

The gap between the rich developed countries and the poor developing countries is widening. Continued existence of this problem will certainly affect the development of the world economy. Developing countries must proceed from the reality in their own countries and solve their problems with their capabilities. They must also strive to develop unity and cooperation among themselves based on equality and mutual benefit while establishing and developing economic and technical cooperation with the developed countries in order to strive for the establishment of a new international economic order in the interests of the developing countries. Developed countries must also realize that perpetual poverty will also affect the continuous development of their own economies.

The economic development and happy life of the people and youth of various countries in the world can only be realized under a stable and peaceful international environment. The present international situation remains tense and the danger of war still exists. However, deterrent forces against global war are also growing.

China's foreign policy is aimed primarily at safeguarding world peace. We are convinced that if people -- including the people of the United States and the Soviet Union -- of all peace-loving countries, large or small, strong or weak, stand side by side and make common efforts, another world war can be averted and a lasting peace achieved.

The Asia-Pacific region is a vital area. Since the end of World War II, the large number of developing countries in the Asia-Pacific region and Africa have scored remarkable achievements in struggling for and safeguarding national independence, developing their national economies, and promoting social progress. The Chinese people and the broad masses of people in the Asia-Pacific region have learned from their profound experiences the value of independence and development and, thus, have longed for a peaceful international environment so that they can build their beautiful countries.

We have all along advocated that all countries in the world, regardless of different social systems, establish normal relations on the basis of the Five Principles of Peaceful Coexistence, and have resolutely opposed any country trying to seek hegemony in the Asia-Pacific region. China does not and will not seek hegemony; it will never seek hegemony. We are willing to develop economic cooperation with all countries, and to seek mutual development on the basis of equality and mutual benefit. The Chinese people sincerely hoped to enhance friendship between the people and youth throughout the Asia-Pacific region and in other parts of the world and pass on the friendship from generation to generation.

Young friends: The people of various countries, including us, the older generation of Chinese, have been waging an unremitting struggle for national independence, the people's happiness, and lasting peace. Now, the baton of history will soon be handed to your generation. We have placed special hopes on the young. The future belongs to the young. The destiny of the future world is in our as well as your hands, but in the long run, it is in your hands. May young friends of various countries actively take part in their state and social affairs, invigorating the economy and benefiting the people. May young friends of various countries step up friendly contacts, learn from and support each other, and walk hand in hand to scale new heights of safeguarding world peace and promoting human progress.

Our history demands that Chinese youth, first strive to exert themselves and contribute to making the country strong and the people better off and, second, step up friendly contacts with young people the world over in safeguarding peace. The people and youth of China and various countries in the world, the developing countries in particular, are closely bound by the tasks of mutual development and safeguarding of world peace. Young friends from various countries are welcomed to take a closer look at China during your stay in our country so that you can better understand China, give more useful suggestions to us, make more friends, enhance the friendship, and bring the friendly feeling from the Chinese people and youth back to your people, brothers, and sisters.

In conclusion, may this friendly meeting be successful!

Zhao Ziyang Welcomes Youths

OW111623 Beijing XINHUA in English 1455 GMT 11 May 85

["Youngsters Bring Hopes for Peace, Says Zhao Ziyang" -- XINHUA headline]

[Text] Beijing, May 11 (XINHUA) -- Premier Zhao Ziyang today extended a warm welcome to young people from all over the world attending an Asia-Pacific region youth gathering here. He told an opening reception: "The youth of different countries of the world are actively engaged in International Youth Year activities centered on the themes of 'participation, development and peace'. This gives us great hopes for the cause of world peace and human progress."

Attending the reception were 1,300 people, including senior Chinese officials Hu Qili, Hao Jianxiu, Ji Pengfei and Kang Keqing, as well as more than 300 young people from 30 delegations from the Asia-Pacific region and 25 delegations from Africa, America, Europe, United Nations agencies and other international organizations.

Hu Jintao, chairman of the Chinese Organizing Committee for International Youth Year, also addressed the reception. The event is being sponsored jointly by the Chinese Organizing Committee for International Youth Year, the All-China Youth Federation and the All-China Students' Federation.

WU XUEQIAN HOSTS UNHCR HARLING AT BANQUET

OW071703 Beijing XINHUA in English 1635 GMT 7 May 85

[Text] Beijing, May 7 (XINHUA) -- Chinese State Councillor and Foreign Minister Wu Xueqian gave a banquet here this evening in honor of Poul Hartling, U.N. high commissioner for refugees, and his wife and party. Hartling held talks here this afternoon with Chinese Vice-Minister of Foreign Affairs Qian Qichen and vice-minister of Civil Affairs Zhang Ming on the state of world refugees, cooperation between China and the UNHCR and China's arrangements for Indochinese refugees. Hartling arrived here May 6 as Wu Xueqian's guest.

Refugees in PRC Get Aid

OW081242 Beijing XINHUA in English 1230 GMT 8 May 85

[Text] Beijing, May 8 (XINHUA) -- The office of the United Nation's High Commissioner for Refugees will extend 12 million U.S. dollars to help Indo-Chinese refugees resettled in China reach self-sufficiency. A letter of intent to this effect was signed here this afternoon by Chinese Minister of Civil Affairs Cui Naifu and U.N. High Commissioner for Refugees Poul Hartling.

According to the letter, a three-year (1986-1988) program totalling 12 million U.S. dollars will be established to help the refugees resettled in China. China has provided more than one billion yuan (350 million U.S. dollars) to help resettle Indo-Chinese refugees since 1979 while the U.S. office has also provided 50.8 million U.S. dollars for such a purpose.

SINO-U.S. COMMISSION BEGINS TRADE TALKS

Baldrige Delegation Arrives

OW111652 Beijing XINHUA in English 1632 GMT 11 May 85

[Text] Beijing, May 11 (XINHUA) -- A U.S. delegation led by Secretary of Commerce Malcolm Baldrige arrived here this afternoon to attend the third meeting of the Sino-U.S. Joint Commission on Commerce and Trade. The meeting is scheduled to be held here from May 13 to 14. Apart from full sessions, the Chinese and U.S. representatives will also hold talks at working levels on bilateral trade, investment, technology transfer and industrial cooperation.

The U.S. secretary of commerce was greeted at the airport by Zheng Tuobin, minister of foreign economic relations and trade and Chinese chairman of the commission, and U.S. Ambassador to China Arthur W. Hummel.

Zheng Tuobin Addresses Banquet

OW121626 Beijing XINHUA in English 1606 GMT 12 May 85

[Text] Beijing, May 12 (XINHUA) -- Zheng Tuobin, Chinese minister of foreign economic relations and trade, today expressed the hope for a greater development of the Sino-U.S. economic relations and trade on the basis of equality and mutual benefit. He urged trade officials of both countries to summarize their past, make clear the direction of their future cooperation and adopt necessary measures for such a purpose at the third session of the Sino-U.S. Joint Commission on Commerce and Trade beginning here tomorrow.

Zheng expressed these hopes at a banquet welcoming the U.S. Secretary of Commerce Malcolm Baldrige and his party here this evening.

Zheng said that China's economic development had given and would continue to give impetus to the growth of the Sino-U.S. economic relations and trade. The two countries had achieved marked progress in their economic relations in the past year, the turnover of bilateral trade reached a new high, and they had gradually quickened their steps and expanded the fields in their industrial and technological cooperation.

"Recently business circles of China and the U.S. signed some important contracts, such as the one on China's purchase of American locomotives," he added.

Zheng acknowledged that there still existed some problems in the development of the Sino-U.S. economic relations and trade.

"We are ready to have frank and earnest discussions with the American side so as to find effective and mutually-beneficial ways for solving the problems with the aim of furthering our bilateral economic relations," he said.

Baldrige said that there were great potentials, which had not yet fully tapped, for the U.S.-China trade as well as economic and technical cooperation. However, he said, the road the two countries had taken was in the right direction.

Trade, Commerce Meeting Opens

OW131032 Beijing XINHUA in English 0853 GMT 13 May 85

[Text] Beijing, May 13 (XINHUA) -- China and the United States have speeded up their pace of technological co-operation, Chinese Foreign Economic Relations and Trade Minister Zheng Tuobin said here today.

At the same time, the two countries are stepping up efforts to remove the obstacles affecting their relations, he told the third meeting of the Sino-U.S. Joint Commission on Commerce and Trade, which opened today.

Addressing the opening session, Zheng said that the series of working programs signed by the two countries on co-operation in the metallurgical, telecommunications, electronics, aviation and aerospace industries, in technology transfer and in trade of technical products, had promoted industrial ties between China and the U.S.

The areas for the co-operation had been expanded, and more larger co-operative schemes were now being contemplated.

Zheng said it was quite natural for problems to arise in their economic co-operation and trade links, due to historical differences in their political, cultural and economic systems.

The two sides should, while reviewing achievements already made, face the existing problems to formulate further measures to remove the obstacles, and to bring out the full potentials of the two countries in economic and technological co-operation and in bilateral trade.

U.S. Secretary of Commerce Malcolm Baldrige, who heads his country's delegation to the meeting, noted that Sino-U.S. economic relations had been developing smoothly.

According to U.S. official statistics, the total trade volume of the two countries reached 6.4 billion U.S. dollars last year -- 37 percent higher than in 1983.

Trade volume in the first two months of this year increased by 20 percent over the first two months of 1984, Baldrige said, adding that there had also been a development of investment in each other's countries.

He added that in developing economic and trade relations, both sides should keep a flexible attitude, and it was important to seek just and fair solutions to outstanding problems.

HU YAOBANG MEETS WITH NEW YORK PUBLISHER

OW101632 Beijing XINHUA in English 1624 GMT 10 May 85

[Text] Beijing, May 10 (XINHUA) -- Communist Party General Secretary Hu Yaobang met Lu Keng, publisher of the New York-based SINO-DAILY EXPRESS, here today. Hu answered a wide range of questions put to him by Lu during their two-hour conversation. Lu arrived here last week at the invitation of CHINA NEWS SERVICE.

GENG BIAO MEETS KANSAS LEGISLATIVE DELEGATION

OW111743 Beijing XINHUA in English 1553 GMT 11 May 85

[Text] Beijing, May 11 (XINHUA) -- Geng Biao, vice-chairman of the National People's Congress Standing Committee, met a legislative delegation from the U.S. state of Kansas here today.

The delegation is headed by Robert Talkington, president of the Kansas Senate, and Michael Hayden, speaker of the state House of Representatives.

Kansas established official friendly ties with Henan Province in 1981.

Geng expressed the hope that Kansas and Henan would strengthen economic and technological co-operation on the basis of equality and mutual benefit. This would promote Sino-U.S. friendly ties.

The delegation is here for a goodwill visit at the invitation of the Henan Provincial People's Congress Standing Committee.

STATE OFFICIAL CONDEMNS SRV INCURSION IN THAILAND

OW110222 Beijing XINHUA in English 0209 GMT 11 May 85

[Text] Washington, May 10 (XINHUA) -- The United States strongly condemned the recent incursion of 800 to 1,000 Vietnamese troops into Thai territory, the U.S. State Department said here today.

Commenting on the Vietnamese incursion, State Department spokesman Edward Djerejian told reporters that the Vietnamese sweep into an area which is clearly Thai sovereign territory, and their determined effort to retain that territory, has led to great danger and hardship for the civilian population of the area.

According to press reports, the incursion occurred late last month in Thailand's Trat Province near the Thai-Kampuchean border. Since May 4, the Thai Armed Forces have been fighting to drive the Vietnamese intruders out of Thai territory.

Djerejian said Hanoi sought to gain by brute force what it could not accomplish through legal means and persuasion. The most recent Vietnamese incursion demonstrated its disregard for the normal standards of conduct among nations, and it paralleled Vietnam's determination to consolidate its illegal occupation of Kampuchea by sheer force of arms, he said.

Djerejian added that the United States called on Vietnam to cease such behavior and to seek a negotiated settlement to the Kampuchean problem. "Only through peaceful, cooperative conduct can Vietnam rejoin the family of nations and enjoy the benefits of such relations," he said.

NAVY CONCERNED OVER SOVIET CAM RANH BAY BUILDUP

OW111358 Beijing XINHUA in English 1305 GMT 11 May 85

[Text] Bangkok, May 11 (XINHUA) -- Vietnam's Cam Ranh Bay has been turned into the largest Soviet forward deployment base outside the Warsaw Pact, said a spokesman of the U.S. Seventh Fleet yesterday.

He made the remark to reporters aboard the Blue Ridge, the flagship of the Seventh Fleet, which arrived in Pattaya in the Gulf of Thailand yesterday. The Soviet Union has deployed a squadron of MIG-23 Floggers, single-seat all-weather fighters, at Cam Ranh Bay over the past six months, he said.

Six submarines (three of them nuclear-powered), 20 Bear and Badger aircraft and a number of surface combat warships are operating at Cam Ranh Bay, he added. Soviet warships operating from Cam Ranh Bay can patrol the South China Sea and Soviet bombers can range throughout Southeast Asia, according to the spokesman. He said that the Soviet Union had also stepped up the building of intelligence-gathering facilities at the bay.

The flagship of the U.S. Seventh Fleet is on a shore leave in Pattaya, an internationally-known beach resort. It was learned that the commander of the Seventh Fleet, Vice Admiral Paul F. McCarthy Jr., is expected to meet senior Thai military officers during his visit to Thailand.

FURTHER ON VISIT BY JAPANESE DEFENSE OFFICIAL

Zhang Aiping, Natsume Meet

OW101937 Beijing XINHUA in English 1907 GMT 10 May 85

[Text] Beijing, May 10 (XINHUA) -- Zhang Aiping, Chinese state councillor and defence minister, met here today with Haruo Natsume, administrative vice-minister of the Japanese Defence Agency, and his party. They expressed the belief that Natsume's visit would promote the understanding and friendly cooperation between the two countries.

Present on the occasion were Xu Xin, deputy chief of the General Staff of the Chinese People's Liberation Army, Japanese Ambassador Yosuke Nakae and Defence Attache Masahiro Kunimi. The Japanese guests arrived here on Thursday at the invitation of China's National Defence Ministry.

Yang Dezhi Fetes Group

OW101942 Beijing XINHUA in English 1616 GMT 10 May 85

[Text] Beijing, May 10 (XINHUA) -- Yang Dezhi, chief of the General Staff of the Chinese People's Liberation Army, met and gave a dinner here this evening at the Diaoyutai State Guesthouse for Haruo Natsume, administrative vice-minister of the Japanese Defence Agency, and his retinue. Yang extended his welcome to the Japanese visitors. Present on the occasion was Deputy Chief of the General Staff of the P.L.A. Xu Xin.

Natsume Praises PLA

OW111754 Beijing XINHUA in English 1551 GMT 11 May 85

[Text] Beijing, May 11 (XINHUA) -- The People's Liberation Army received high praise today from Haruo Natsume, administrative vice-minister of the Japanese Defence Agency. He described the Army as strictly trained, and said that it could certainly shoulder the task of defending the country.

He was speaking after visiting an Air Force unit and an infantry division here. The infantry division, founded nearly 50 years ago, has taken part in many tough wartime campaigns, contributing greatly to Chinese liberation.

Natsume visited soldiers' sleeping quarters and watched climbing training for scouts, shooting and simulated shooting practice. Because of poor weather, he watched a video film of the Air Force unit training, rather than a live demonstration. He leaves Beijing tomorrow to tour other parts of China.

WANG ZHEN FETES FORMER JAPANESE PARTY LEADER

OW101622 Beijing XINHUA in English 1531 GMT 10 May 85

[Text] Beijing, May 10 (XINHUA) -- Wang Zhen, honorary president of the China-Japan Friendship Association, met and gave a dinner for Kunikichi Saito, former general secretary of the Japanese Liberal Democrat Party, Mrs. Saito and their party here tonight. Among those present were Xia Yan and Sun Pinghua, president and vice-president of the host association. Saito, who was also ex-minister of health and welfare, and his party arrived here today. They will also tour Tianjin and Xian.

WANG ZHEN MEETS JAPANESE PREFECTURAL GROUP

OW110846 Beijing XINHUA in English 0752 GMT 11 May 85

[Text] Beijing, May 11 (XINHUA) -- Wang Zhen, honorary president of the China-Japan Friendship Association, met here this morning a delegation from Toyama Prefecture of Japan led by Governor Yutaka Nakaoki. The delegation came to China on May 7 at the invitation of Quan Shuren, governor of Liaoning Province in northeast China. The Chinese province and Toyama Prefecture established friendship ties last year.

MEMORIAL HALL TO COMMEMORATE ANTI-JAPAN WAR

OW110829 Beijing XINHUA in English 0717 GMT 11 May 85

[Text] Beijing, May 11 (XINHUA) -- China will build its first comprehensive memorial hall to the war against Japanese aggression as part of the worldwide anti-fascism commemoration activities. Ye Shangshi, deputy head of Beijing's western Fengtai District where the hall will be located, said here today.

Construction on the 20,000-square-meter memorial hall will start in September this year. It is scheduled to open in 1987 to mark the 50th anniversary of the beginning of Japan's all-out war of aggression against China. The hall will be at Lugouqiao Bridge in the district where the Japanese all-out aggression war began on July 7, 1937.

The hall will have more than 40 exhibition rooms. Exhibits will show the Japanese aggression and the struggle against it by the Chinese people from 1931 when the Japanese invaded China's northeast to 1945 when the aggressors finally surrendered.

There will also be a room on the friendship between the Chinese and Japanese peoples and Sino-Japanese rapprochement and friendly exchanges in recent years.

The displays will include pictures and the model of a mass grave where several hundred Chinese soldiers and civilians were killed at Lugouqiao.

Airplanes, tanks, and guns captured from the Japanese and models of warfare tunnels used by the Chinese people to fight against the aggressors will be on display.

DPRK ARMY ENSEMBLE VISITS BEIJING COMMUNE

HK100441 Beijing RENMIN RIBAO in Chinese 8 May 85 p 4

[XINHUA report: "Korean People's Army Ensemble Visits Chinese-Korean Friendship People's Commune"]

[Text] Beijing, 7 May (XINHUA) -- The Korean People's Army ensemble this morning visited the Hongxing Chinese-Korean friendship people's commune in Daxing County, Beijing. The Korean comrades-in-arms first visited the Demao milk cow farm and the Jinxing duck farm. President Kim Il-song visited the Demao milk cow farm during his visit to China in April 1975. This farm now has more than 1,000 milk cows, each of which yields an average of 7.5 tons of milk a year. Mechanization is used to milk the cows.

After that, the Korean artists came to the office of the commune. They were greeted by more than 400 teenagers and children waving bouquets and ribbons on both sides of the road. Su Benying, secretary of the party committee of the commune, briefed the guests on animal husbandry, industrial and agricultural production, and commerce in the commune. Han Chang-su, head of the ensemble, extended to the members of the Chinese-Korean friendship people's commune regards from the peasants of the Korean Taekam Korean-Chinese friendship cooperative farm. On behalf of the ensemble, he also presented to the Chinese-Korean friendship people's commune a silk banner inscribed: "Long live the militant friendship and unity cemented with blood between the Korean and Chinese peoples and Armies!"

Then, the Korean artists came to the courtyard in front of the commune office. When President Kim Il-song visited this commune on 20 April 1975, he, together with NPC Vice Chairman Ye Jianying, planted in the courtyard a pine tree symbolizing the everlasting great friendship and militant unity between the Chinese and Korean peoples. Now this "Chinese-Korean friendship tree" is more than 4 meters high. The responsible comrades and the principal performers of the ensemble watered the tree. The Korean comrades-in-arms happily posed for a group photograph in front of it.

Accompanying the ensemble on the visit were Zhang Zhongbin, deputy director of the Cultural Department of the Chinese PLA General Political Department, and Kim Ung-yong, attache of the Korean Embassy in China. The Korean ensemble left Beijing for visits and performances in other places by special train this afternoon.

Leaves Xian for Chengdu

OW111835 Beijing XINHUA in English 1627 GMT 11 May 85

[Text] Xian, May 11 (XINHUA) -- A Korean People's Army music and dance ensemble left for Chengdu by train tonight after giving four performances here, watched by 7,000 people. Among their admirers during their four days here were Ji Tingbi and Wang Lanjiang, commander and political commissar of the People's Liberation Army Shaanxi Military Command, and leading members of the provincial Communist Party and government.

While in Xian, the Korean artists visited a museum displaying life-size terracotta horses and warriors excavated from sites near the famous tomb of Qin Shi Huang. They also visited the Shaanxi provincial museum and toured Dayan pagoda and Huaqing hot spring. When they arrived here from Beijing earlier this week, they were greeted by more than 600 Army commanders, soldiers and veterans waving bouquets and colored ribbons.

KCNA DENOUNCES U.S.-SOUTH KOREAN BUILDUP

OW102047 Beijing XINHUA in English 1911 GMT 10 May 85

[Text] Pyongyang, May 10 (XINHUA) -- The KOREAN CENTRAL NEWS AGENCY (KCNA) was authorized to issue a statement here today strongly denouncing the United States and South Korea for what was termed a massive buildup of forces along the provisional Military Demarcation Line.

The statement said that the U.S. and South Korean top "brasshats" recently have threatened to attack the "heart" of the North. They have designed an "offensive strategy" against the republic by forming 180,000-member special units and increasing the number of armored and tank troops, the statement said.

The statement claimed that 80 to 90 percent of U.S. and South Korean forces have been deployed along the Military Demarcation Line for preparations to launch attacks at any moment. The U.S. and South Korean troops have carried out frequent military exercises recently, it added.

These "unusual" affairs showed that in Korea today there is no "threat of southward invasion," But that the contrary threat exists, the statement stressed.

It pointed out that these military activities run counter to the goals of relaxation of tension, peace and reunification that have caused concern of the Korean people and all peace-loving people in the world.

DPRK NEWSPAPER DENOUNCES U.S.-SOUTH KOREA TALKS

OW101638 Beijing XINHUA in English 1452 GMT 10 May 85

[Text] Pyongyang, May 10 (XINHUA) -- Recent military and security meetings of the United States and South Korea were denounced by a newspaper commentary today as a prelude to an attempt to settle the Korean issue by "force."

The seventh session of the "South Korea-U.S. Military Committee" was held in Washington on May 6, and it was immediately followed by the two-day 17th meeting of the "South Korea-U.S. Security Consultative Conference."

It was reported that the United States and South Korea declared once again at these meetings their common efforts to deal with a "possible southward drive" from the North, and that agreements were reached on strengthening their coordinated war system, exchanging information, and supplying the South with U.S. high military technology and low-interest military loans.

The commentary in the official newspaper of the Democratic People's Republic of Korea, NODONG SINMUN, said the United States and South Korea had made the allegation that the North had boosted its military buildup, in order to justify the U.S. military presence in the South, and to legitimize a U.S.-South Korean "war scheme."

The commentary charged that the meetings showed the United States does not want a peaceful settlement to the Korean issue. The commentary accused the U.S. of aggravating tension on the Korean peninsula.

UK'S HOWE CALLS RELATIONS WITH PRC EXCELLENT

OW111937 Beijing XINHUA in English 1831 GMT 11 May 85

[Text] London, May 11 (XINHUA) -- British Foreign Secretary Geoffrey Howe described Sino-British relations as "excellent" and Chinese Premier Zhao Ziyang's visit in June "a signal that all the other growing bilateral exchanges are going on."

"I am glad that further momentum is given to improve relations," between Britain and China by Premier Zhao's visit, the foreign secretary told a group of visiting Chinese journalists on Wednesday.

"His presence here to be seen by the people of this country will give an added dimension of reality to what we have all been trying to achieve," he added. He also expressed the hope that "trade and political contacts need to go hand in hand, for which there are great scopes for development."

Recalling the signing of the Hong Kong agreement in December by the prime ministers of the two countries, Howe said it "has led to a much closer understanding between the two countries and lays the foundation for strengthening and developing a bilateral relationship."

On East-West relations, Howe said, "One of the topics Prime Minister Thatcher and I identified when I became foreign secretary two years ago as one of the most important in the world was the reduction of tension between East and West," which "we have to address ourselves to all the time."

While every nation is entitled to assuring its own security, Howe said, people should try to find ways to ensure national security without making other nations insecure, "so as to lay the foundation on which we can achieve success in arms control."

Describing this as "a long and patient slow process," Howe did say that "we believe that Europe acting together, as we increasingly do within the European Community, can make a more effective contribution than nations of Europe (working) individually."

"Turning to North-South relations, the foreign secretary said Britain wants to provide aid in such a fashion that it will promote economic prosperity in developing countries, particularly in the agricultural sectors of these countries.

"China herself has played an enormous part in the whole of this process," the foreign secretary said, adding, "it is a great success that China feeds her huge population," and "the greater success in achieving the four modernisations program, then the greater contribution that you can make not just for your own prosperity but for the expansion of trade that is good for developed and developing countries alike."

ZHAO ZIYANG MEETS WITH UK'S HAROLD WILSON

OW101900 Beijing XINHUA in English 1838 GMT 10 May 85

[Text] Beijing, May 10 (XINHUA) -- Major scope exists for co-operation between small firms in China and Britain, Premier Zhao Ziyang said here today. At a meeting with former British Prime Minister Harold Wilson at Zhongnanhai State Council headquarters, Zhao said he hoped more companies from Britain and other West European countries would co-operate with China. The main purpose of Wilson's visit is to explore ways for British small and medium-sized companies to transfer their technology to China and undertake joint ventures with similar businesses here.

Zhao said that at present China had several hundred thousand small enterprises. Great numbers had sprung up in towns across the country. Much work could be done in collaboration with British small firms. Under its policy of opening to the outside world, China attached great importance to economic and technological co-operation with West European countries.

Zhao said that common efforts should be made to increase trade between West Europe and China. Present at the meeting were Chai Zemin, vice-president of the Chinese People's Institute of Foreign Affairs, and British Ambassador to China Richard Evans.

Wilson Visits Tianjin

SK100938 Tianjin City Service in Mandarin 1430 GMT 9 May 85

[Text] On the afternoon of 9 May, Li Ruihuan, mayor of Tianjin Municipality, received Sir Harold Wilson, former prime minister of the United Kingdom, and his entourage. Mr Wilson arrived in Tianjin from Beijing by train this morning in the company of Chai Zemin, vice president of the Chinese People's Institute of Foreign Affairs. In his capacity as president of the board of [words indistinct], Mr Wilson is visiting various localities in China this time. During his sojourn in Tianjin, the European Chinese Technology Corporation, Ltd. signed contracts with the Tianjin New Technology Development Corporation and the Tianjin branch of the China Council for Promotion of International Trade concerning developing information and technological trading, holding international exhibitions and strengthening cooperations.

During the reception, Mayor Li Ruihuan warmly welcomed Mr Wilson on his first visit to Tianjin, and briefed him on the political and economic situations of Tianjin. He said: Tianjin's industry is now faced with the task of comprehensively renovating the technology and equipment of old enterprises. He hoped that the United Kingdom and Tianjin will continue to strengthen economic and technical cooperation, and hoped that still more bankers and businessmen in the United Kingdom will organize cooperative projects with Tianjin's people. In his talks, Mr Wilson also expressed his hopes in this regard, in addition to expressing his thanks for Mayor Li Ruihuan's warm reception. During the reception, guest and host exchanged gifts. After the reception, the UK guests participated in the banquet held by the municipal people's government. Also attending the banquet were Shi Jian, vice chairman of the municipal People's Congress Standing Committee; and (Zhang Zhaoru), deputy secretary general of the municipal people's government. Mr. Wilson and his entourage left Tianjin for Shanghai this evening to continue their tour.

SWEDISH OFFICIAL HOPES FOR CLOSER TIES WITH PRC

OW110904 Beijing XINHUA in English 0756 GMT 11 May 85

[Text] Stockholm, May 10 (XINHUA) -- Swedish Deputy Prime Minister Ingvar Carlsson said he is satisfied with the cooperation between Sweden and China in the fields of technology, trade, scientific research and education. He also expressed hope that the two countries will strengthen their cooperation in energy.

He made these remarks at a luncheon in celebration of the 35th anniversary of the establishment of diplomatic relations between Sweden and China.

Rui Xingwen, Chinese minister of urban and rural construction and environmental protection, who is visiting here, and Chinese Ambassador to Sweden Wu Jiagan were present on the occasion.

I. 13 May 85

G 3

PRC INTERNATIONAL AFFAIRS
WESTERN EUROPE

The Chinese minister expressed satisfaction with the traditional relations between China and Sweden. He said that the cooperation between the two countries will be further consolidated through their common efforts.

During his stay in Sweden, Rui Xingwen met with Swedish Minister of Housing Hans Gustafsson and Minister of Agriculture Svante Lundkvist. He signed two governmental memorandums on urban and rural construction and environmental protection. He also visited a heat supply station, a nuclear power station and a housing exhibition. The Chinese minister left here for Denmark today.

TURKISH PRIME MINISTER PLANS JUNE PRC TRIP

OW101904 Beijing XINHUA in English 1831 GMT 10 May 85

[Text] Ankara, May 10 (XINHUA) -- Turkish Prime Minister Turgut Ozal told a Chinese friendship delegation this afternoon that he will visit China late in June to deepen his understanding of China and further the friendly relations between the two countries.

The delegation was headed by Zhang Zhixiang, member of the Standing Committee of the Chinese National Congress and vice president of the Association for International Understanding of China, and Janabil, party secretary of the Xinjiang Uygur Autonomous Region and council member of the association.

While meeting with the delegation, Ozal said he hoped Turkey and China would increase contacts, deepen mutual understanding and friendship, and strengthen cooperation, particularly with regard to the economy and trade.

Zhang said his delegation had come to Turkey as a gesture of friendship as well as to learn about Turkish management of factories, enterprises and cities.

The delegation left the capital city to visit areas in southern Turkey.

CONTINUED REPORTAGE ON 'ARAFAT DELEGATION VISIT

Deng Xiaoping Meets 'Arafat

OW111110 Beijing XINHUA in English 1044 GMT 11 May 85

["Deng Xiaoping Calls for Arab Unity" -- XINHUA headline]

[Text] Beijing, May 11 (XINHUA) -- China's top leader Deng Xiaoping today called on the Arab countries and the Palestinians to unite and work toward their common goal. Deng, chairman of the Central Advisory Commission of the Chinese Communist Party, made the call at an hour-long meeting with a Jordan-Palestine joint delegation led by Yasir 'Arafat, chairman of the Executive Committee of the Palestine Liberation Organization (PLO) here today.

"Your struggle is a protracted one," Deng told the visitors, "and there is no place for rashness. But something must be done and you have to move toward your goal step by step. We hope that Palestine and the other Arab countries, with the great Arab cause in mind, will seek common ground while reserving differences and strengthening unity." He added that it was also important for the Palestinians and Arabs to seek help from the international community. Noting that the Arabs and Palestinians were waging a complicated and arduous struggle, Deng pledged China's steadfast assistance. "Our position on this issue will never change," he said.

'Arafat and 'Abd al-Wahhab al-Magali, member of the delegation and Jordanian deputy prime minister and minister of education, thanked China for her consistent efforts to help the Palestinians and Arabs. 'Arafat said that China was a true friend. Al-Magali said that China's advice to seek common ground while putting their differences to one side was very important. The host and guests also exchanged views on a number of international issues. 'Arafat and Al-Magali conveyed Jordanian King Husayn's good wishes to Deng Xiaoping. In return, Deng asked the two visitors to convey his greetings to the Jordanian monarch. Also present was Chinese State Councillor and Foreign Minister Wu Xueqian.

'Arafat, Wu Xueqian Talk

OW101527 Beijing XINHUA in English 1502 GMT 10 May 85

[Text] Beijing, May 10 (XINHUA) -- Chinese State Councillor and Foreign Minister Wu Xueqian held talks here today with Yasir 'Arafat, chairman of the Palestine Liberation Organization Executive Committee. It is understood that 'Arafat briefed Wu on the Palestinian people's struggle in and outside occupied territories.

Wu restated China's consistent stand in supporting the Palestinian people's just struggle. The two exchanged views on bilateral relations and international issues of common interest.

PRC, Jordan Officials Meet

OW101605 Beijing XINHUA in English 1524 GMT 10 May 85

[Text] Beijing, May 10 (XINHUA) -- Vice-Premier Tian Jiyun expressed satisfaction here today with the political relations and economic cooperation between China and Jordan. He said that the two countries had always sympathized with and supported each other in safeguarding world peace.

The Chinese vice-premier made these remarks at a meeting with Jordanian Vice Prime Minister and Minister of Education 'Abd al-Wahhab al-Magali here this afternoon.

Tian also praised Jordan for its positive attitude and efforts in safeguarding the national rights of the Arab and Palestinian peoples. They also exchanged views on expanding bilateral trade.

Zhao Ziyang Banquet Speech

OW101920 Beijing XINHUA in English 1856 GMT 10 May 85

["China Stands by Palestinian Struggle, Says Zhao" -- XINHUA headline]

[Text] Beijing, May 10 (XINHUA) -- Premier Zhao Ziyang today restated China's resolute support for the Arab and Palestinian peoples' just struggles for victory and peace in the Middle East. He was speaking at a banquet he hosted here tonight for a Jordanian-Palestinian delegation led by Yasir 'Arafat, chairman of the Palestine Liberation Organization's Executive Committee.

On behalf of the Chinese Government and people Zhao extended a warm welcome to the delegation for coming to inform China of the recent Jordanian-Palestinian agreement and of the latest developments in Middle East. This displayed the delegation's trust in the Chinese Government and people, and the profound friendship between the Palestinian and Chinese peoples and between the Arab countries and China. Zhao described the Jordanian-Palestinian agreement as a new effort to try to secure a peaceful settlement of the Middle East problem.

He said: "In our view, a fair and reasonable settlement of the Middle East problem through peaceful means conforms to the aspirations and interest of the people of the Palestinian and Middle East countries and the rest of the world. "All efforts made towards this purpose are to be welcomed." Zhao said the erroneous stand of the Israeli authorities and their supporters was the biggest obstacle to the peaceful settlement of the Middle East problem.

In his toast, 'Arafat said that the delegation's visit was the first joint international action taken since the conclusion of the Jordan-Palestine agreement and had special significance. He said: "We cherish friendship with the Chinese people, and attach importance to China's help and support. Our goal is to liberate Palestinian territory and, under the leadership of the PLO, the sole legal representative of the Palestinian people, to establish on the land of Palestine our own country, that will be part of a confederation with Jordan."

He called for an international meeting to be held on the Middle East, attended by permanent members of the U.N. Security Council and under the supervision of the International community. This could lay a real base for achieving a fair and all-round peace in the Arab area, in order to end the Israeli occupation of Arab territory, including Jerusalem. 'Arafat strongly condemned the crimes committed against Palestinian and other Arab people by Israel under the support of imperialism, and expressed regret that the United States refused to recognize the PLO as the sole legal representative of the Palestinian people.

Present at the banquet were Tian Jiyun, Chinese vice-premier; Wu Xueqian, state councillor and foreign minister; H. E. 'Abd al-Wahhab al-Magali, Jordanian deputy prime minister and minister of education; and other delegation members.

I. 13 May 85

I 3

PRC INTERNATIONAL AFFAIRS
MIDDLE EAST & AFRICA

Delegation Ends Visit

OW130319 Beijing XINHUA in English 0216 GMT 13 May 85

[Text] Beijing, May 13 (XINHUA) -- A Jordanian-Palestinian joint delegation led by Yasir 'Arafat, chairman of the Executive Committee of the Palestine Liberation Organization, left here last night after a three-day China visit, announced a Foreign Ministry official this morning. They were seen off at the airport by Zhou Jue, Chinese assistant minister of foreign affairs.

Commentary on Visit

OW122309 Beijing in English to North America 0000 GMT 11 May 85

[Station commentary]

[Text] A joint Jordanian-Palestinian delegation arrived in Beijing on Thursday. It is headed by Chairman of the Palestine Liberation Organization Yasir 'Arafat. Now here is (Zhang Jianxing) with a Radio Beijing commentary on the visit.

Under the leadership of the PLO, the Palestinian people have waged a long and arduous struggle against the Israel aggression to restore their national rights. Their struggle has won the support of all Arab people and countries that uphold justice. The Palestine National Council is resolved to carry on the fight to reestablish the national rights of Palestinians through various forms, including political negotiations. 'Arafat and King Husayn of Jordan reached agreement for joint actions in February. Its aim is taking serious and effections to solve the Middle East deadlock through Arab unity. The international community is taking this new effort seriously.

The Arab proposal for international peace conference on Middle East is also gaining support around the world. The key to achieving peace and stability in the Middle East lies in the fair and thorough settlement of the Palestine issue. The core for the settlement must be the complete restoration of national rights to the Palestinian people. The Chinese Government has consistently supported their just struggle.

China strongly opposes Israeli aggression and supports the Arab people in their efforts to promote a fair and equitable settlement in the Middle East. China believes that the final victory of the Palestinian people and peace in Middle East will one day become a reality so long as Arab countries strengthen their unity and keep up their struggle. The visit of the joint delegation will certainly help strengthen friendship and unity between the Chinese people and the Palestinian, Jordanian, and other Arab peoples. We sincerely hope the visit will be a complete success.

WU XUEQIAN FETES NIGERIAN COMMISSIONER GAMBARI

OW082326 Beijing XINHUA in English 1911 GMT 8 May 85

[Text] Beijing, May 8 (XINHUA) -- Chinese State Councillor and Foreign Minister Wu Xueqian gave a welcoming banquet for Dr Ibrahim Gambari, Nigerian commissioner for external affairs, and his visiting party here tonight.

In their speeches, the two ministers expressed satisfaction with the growth of friendly relations between their countries and hopes for further development of bilateral co-operation.

Wu said: "An important component part of China's policy of opening up to the outside world is to further strengthen unity and co-operation with other Third World countries.

"The Chinese Government and people extend their deep sympathy to the African people over the difficulties they face, and are ready to do what they can to provide continued assistance."

Dr Gambari said Nigeria would continue to welcome Chinese experts, who have been contributing to the strengthening of bilateral relations.

The two men expressed concern over recent developments in southern Africa, and denounced South African authorities for obstructing Namibian independence, pursuing apartheid and suppressing and massacring black people.

Sun Daguang, minister of geology and mineral resources, attended the banquet.

Tian Jiyun Hosts Gambari

OW091746 Beijing XINHUA in English 1633 GMT 9 May 85

[Text] Beijing, May 9 (XINHUA) -- Vice-Premier Tian Jiyun hosted a luncheon here today for visiting Nigerian Minister of External Affairs Dr. Ibrahim Gambari and his party. The Chinese vice-premier visited Nigeria last November.

Gambari gave a dinner at the Nigerian Embassy in Beijing here this evening for Chinese State Councillor and Foreign Minister Wu Xueqian and Minister of Geology and Mineral Resources Sun Daguang. Gambari and his party will leave here for home tomorrow.

WU XUEQIAN MEETS CAPE VERDE FOREIGN MINISTER

OW101947 Beijing XINHUA in English 1845 GMT 10 May 85

[Text] Beijing, May 10 (XINHUA) -- China supports the struggle for independence by those African countries that have not yet won independence like Namibia and the southern African people's struggle against racial discrimination.

This was stated by State Councillor and Foreign Minister Wu Xueqian at a meeting with Silvino Manuel Da Luz, minister of foreign affairs from Cape Verde, here this evening.

Da Luz said he was satisfied with the Cape Verde-China cooperation. He said Cape Verde pursued a non-aligned policy and devoted itself to consolidating its own independence and preserving peace in southern Africa.

Wu noted growing relations between China and the Cape Verde. He added that China supported the efforts made by the independent African countries to strengthen their national independence and develop national economies.

He also gave an account of China's independent and peaceful foreign policy as well as China's economic reform.

The meeting was followed by a dinner given by Vice-Minister of Foreign Affairs Yao Guang for the Cape Verde minister and his wife and their party.

The Cape Verde minister arrived here this afternoon on his way home after a visit to the Democratic People's Republic of Korea.

TIAN JIYUN TALKS WITH EGYPT'S ABU AL-NUR

OW111131 Beijing XINHUA Domestic Service in Chinese 1640 GMT 9 May 85

[Text] Beijing, 9 May (XINHUA) -- Tian Jiyun, vice premier of the State Council, met with Muhammad al-Ahmadi Abu al-Nur, Egyptian minister of religious trusts, and concurrently chairman of Egypt's Higher Committee for Islamic Affairs, and his party at the Great Hall of the People this afternoon.

Tian Jiyun expressed the belief that the delegation's visit would help promote friendly exchanges between the peoples and, in particular, the Muslims of the two countries.

The Egyptian delegation arrived in Beijing on 7 May at the invitation of the State Council's Bureau of Religious Affairs.

The State Council's Bureau of Religious Affairs hosted a banquet for the delegation this evening. Yang Jingren, vice chairman of the CPPCC National Committee, attended. He had earlier met with the Egyptian delegation.

Attending the meeting and banquet were Ren Wuzhi, acting director, and Wan Yaobin, deputy director, of the State Council's Bureau of Religious Affairs; Zhang Jie, chairman, and Shen Xiayi, vice chairman, of the Islamic Association of China; Abdu Rahamn Na Zhong, noted Chinese Islamic scholar and Ahmad Salim 'Abd al-Wahhab, Egyptian ambassador to China.

The Egyptian delegation will also visit Urumqi, Lanzhou, and Guangzhou.

TANZANIAN PARTY LEADER VISITS JIANGSU'S YANGZHOU

OW121410 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 11 May 85

[Text] A delegation of the Tanzanian Revolutionary Party headed by its General Secretary Rashid Kawawa arrived in Yangzhou for a visit the afternoon of 10 May.

On the morning of 11 May, members of the delegation visited the (Bazhou) water conservancy project. General Secretary Kawawa said: Tanzania's (Nubalali) ranch built with the assistance of Jiangsu's agricultural experts is a success.

(Li Guangfu), secretary of the party branch of the administrative office of the water conservancy project, briefed the Tanzanian guests on the project. General Secretary Kawawa carefully examined the project and inquired in detail how it benefits the peasants. He praised the project, which is built with state investment and matched by the personal labor of the peasants, who only have to pay a small sum for all its benefits.

Toward the end of the visit, General Secretary Kawawa said: This project is terrific. I am very glad to see that you have accomplished a great deal of work.

(Gu Yi), acting secretary general of the provincial party committee; and Zheng Liangyu, director of the Foreign Affairs Bureau of the provincial government, accompanied the delegation visiting Yangzhou. On the evening of 10 May, (Tao Hongmin), secretary of the Yangzhou municipal party committee, hosted a banquet in honor of General Secretary Kawawa and his party.

The delegation returned to Nanjing from Yangzhou last evening. It will depart for Shanghai by plane today.

XI ZHONGXUN MEETS WITH SOMALI DELEGATION

OW121350 Beijing XINHUA in English 1317 GMT 12 May 85

[Text] Beijing, May 12 (XINHUA) -- Xi Zhongxun, Political Bureau and Secretariat member of the Chinese Communist Party Central Committee met and feted here this evening a delegation from the Central Committee of the Somali Revolutionary Socialist Party (SRSP).

The delegation is headed by Ahmed Ashkir Botan, member of the SRSP Central Committee and chairman of the Bureau for Central Committee Affairs.

Both sides expressed the hope for further friendly cooperation between the two parties.

PRC BANK OFFICIAL ASSURES AFRICANS OF SUPPORT

OW092004 Beijing XINHUA in English 1601 GMT 9 May 85

[Text] Brazzaville, May 9 (XINHUA) -- Head of the delegation of the Chinese People's Bank Shang Ming today assured the African countries of China's continual support and cooperation in their efforts for economic and social development.

Speaking at the on-going joint session of the 21st annual conference of the African Development Bank (ADB) and the 12th annual conference of the African Development Fund (ADF), Shang said that after participating in the African bank group, China plans to "cooperate on a more extensive basis" with the African nations in line with the principles for Sino-African economic and technical cooperation set forth by Chinese Premier Zhao Ziyang during his trip to Africa in 1983.

The ADB and the ADF opened a joint session here yesterday to map out measures to deal with the serious economic difficulties in Africa caused by the persistent drought and worsening debt problems. China was admitted as member country to the ADB and ADF at yesterday's first working session of the two institutions.

Shang said that the Chinese and African people are friends that share bonds of respect and confidence.

Adding "we deeply believe that the African people will certainly achieve economic prosperity through their continuous efforts. In spite of difficulties faced by some African nations in their economic development, the overall economic prospects in Africa are encouraging."

ARGENTINE LEADER PRAISES PRC OPEN POLICY

OW101942 Beijing XINHUA in English 1842 GMT 10 May 85

[Text] Beijing, May 10 (XINHUA) -- Juan Carlos Pugliese, president of Argentina's Chamber of Deputies, today praised China for its policy of opening to the outside world.

Addressing a meeting here, Pugliese said that if the Third World countries wanted to solve their economic problems, they should open their doors wider to the outside world and undertake international co-operation.

Pugliese said that because science and technology was advancing rapidly, a developing country could not catch up with the developed world on its own.

As long as the developing countries united and undertook international co-operation, they could exploit and use their rich natural resources, speed up economic development and raise their peoples' living standards.

He also briefed the meeting, attending by about 100 people, on recent developments in Latin America, and answered questions.

Sponsored by Yang Beibing, vice-president of the China-Latin America Friendship Association, the meeting was attended by Song Shawen, a member of the National People's Congress Standing Committee, and Argentinian Ambassador to China Hector Subiza.

Qiao Shi Meets Pugliese

OW101340 Beijing XINHUA in English 1311 GMT 10 May 85

[Text] Beijing, May 10 (XINHUA) -- Qiao Shi, alternate member of the Secretariat of the Chinese Communist Party Central Committee, met with Juan Carlos Pugliese, president of the Chamber of Deputies of the Republic of Argentina, at the Great Hall of the People this morning.

Qiao, on behalf of the C.P.C. Central Committee, extended a warm welcome to Pugliese, also a leader of Argentina's Radical Civic Union.

Both expressed the belief that the development of relations between the two parties would benefit those between their countries and peoples.

COMMERCE MINISTER FETES CANADIAN DELEGATION

OW121642 Beijing XINHUA in English 1612 GMT 12 May 85

[Text] Beijing, May 12 (XINHUA) -- Chinese Minister of Commerce Liu Yi hosted a dinner here this evening for a delegation from Saskatchewan of Canada led by Deputy Premier and Minister of Economic Development and Trade Eric A. Berntson.

Speaking at the dinner, Liu said that Saskatchewan, a major grain-producing province in Canada, had a lot of experience in grain storage and processing that is well worth China's learning.

Berntson said that he had come to help strengthen the friendship and economic relations between the two countries.

The delegation arrived here this afternoon at the invitation of the Chinese Ministry of Commerce. It will hold discussions with the Chinese ministry before leaving for Jilin Province in northeast China.

PRICE CHANGES TAKE EFFECT ON NONSTAPLE FOODS

Official on Price Changes

HK110608 Beijing CHINA DAILY in English 11 May 85 p 1

[By CHINA DAILY staff reporter Liu Dizhong]

[Text] New prices have been set for meat, poultry, eggs, fish, vegetables and other major non-staple foods in Beijing state-owned shops, with effect from this morning.

As part of the reform of price system, control on the prices of these foods has been relaxed in most provinces. Those now retaining the controls -- Jiangsu, Shaanxi, Gansu provinces and the Xinjiang Autonomous Region -- will relax them in June, according to a senior official of the Ministry of Commerce.

Of all the foods, meat prices are rising the most in Beijing. Beef has increased from 2 yuan a kilo to 4.4 yuan and mutton from 2 yuan a kilo to 3.6 yuan. Pork, the most popular meat in China, has risen from 2.2 yuan to 2.98 yuan a kilo while lean pork of high quality has climbed from 2.9 yuan a kilo to 5 yuan. Egg prices from 2.4 yuan a kilo to a floating price of 2.6 yuan.

All the prices may go up or down in different seasons or in accordance with the supply situation, Jiang Xi, deputy minister of commerce told CHINA DAILY yesterday in an exclusive interview. To offset the price increases Jiang said, monthly subsidies of 7.5 yuan will be granted to most of the 5.5 million Beijing urban residents, 9 yuan to college students and minority Hui Muslims and 10.5 yuan for Muslim college students.

Prices at food shops in the foreign residential quarters have also risen accordingly. But, the deputy minister said, foreign experts working in Beijing and foreign students will also receive subsidies. The subsidies were made on the basis of ratio of food consumption expenditure, he said. On average, each Beijing urban resident consumes monthly 2.2 kilos of pork and one kilo of eggs. As a result, the city government will pay more than 400 million yuan annually for the subsidies.

The State has planned to earmark 2.2 billion yuan this year for subsidies covering increases of meat price alone, Jiang said. According to the deputy minister, subsidies vary from one province to another, ranging from 1.5 yuan to 8 yuan because of varying levels of consumption and different subsidized foods. The reform of the price system is aimed at reducing the scope of uniform prices set by the state and enlarging the scope of floating prices, within certain limits, and of free prices. The principle guiding the price reform is that the interests of both producers and most consumers must be safeguarded, he stressed. The new price policy, he said, has helped encourage more farmers to breed pigs, sheep, calves and poultry.

Under the policy, the state purchase price of pigs rose by 30 percent on average throughout the country. As a result, the total amount of sows on hand in the first quarter this year increased, he said. Last year the amount of pigs fell sharply in many provinces, particularly those in the developed coastal areas where the farmers found other sideline production could bring them more benefit than pig-breeding. The relaxed control of prices of pork, fish and vegetables has also boosted business in free markets. But, Jiang stressed, the state-owned shops will continue to be the main channel for commodity circulation while playing the vital role in market price adjustment.

Illegal Price Hikes Checked

OW130001 Beijing XINHUA Domestic Service in Chinese 1432 GMT 10 May 85

[By reporters Chen Xianxin and Xia Junsheng]

[Text] Beijing, 10 May (XINHUA) -- With the State Council's approval, Beijing Municipality begins to readjust the prices of some nonstaple foods today. Meanwhile, more than 14,000 price inspectors have taken to the streets to prevent and correct unauthorized price hikes.

Since the 3d Plenary Session of the 11th CPC Central Committee, China has readjusted the unreasonable purchase and sales prices of some farm and sideline products as well as manufactured goods for daily use, thereby promoting the development of production and the prosperity of the markets. Recently many large and medium-sized cities have liberalized the prices of farm and sideline products, yielding good results in general. Beijing Municipality has started this work rather late. The purpose of readjusting the prices of some nonstaple food is also to reform the unreasonable price structure in a planned way.

Nonstaple foods whose prices have been readjusted include mainly hogs, pork, mutton, eggs, poultry, saltwater fish, and vegetables. The purchase price of hogs has been raised by around 35 percent, and the retail price of pork has also been raised by the same margin. The big increase in pork prices and the widening of price differentials between different grades of meat have been made in view of the current acute shortage in the supply of lean meat. Now, the price of eggs sold at state-run stores has been raised from the original 1.1 yuan to 1.3 yuan per jin. The prices of beef, mutton, poultry, saltwater fish, and vegetables are now decentralized and fluctuate according to the market, and they are sold through various channels. Besides, Beijing Municipality has also hiked the price of matches, which had been excessively low for a long period of time, as well as the fees for gas and for public bathhouses. To ensure that urban residents living on commercial grain will maintain the same living standards despite price increases, Beijing Municipality, while readjusting the prices, will issue an appropriate monthly subsidy for every urban resident.

To ensure that the current price reform is carried out smoothly, Beijing Municipality on 8 May announced to the masses in advance the program for readjusting some nonstaple food prices. It has carried out propaganda work to help the residents understand the harm of unreasonable prices, as well as the significance of stabilizing prices through readjustments. Meanwhile, nonstaple food stores have informed customers of the new prices 2 days in advance and have furnished the market with large quantities of nonstaple food items that they had stocked. They have extended business hours so the masses could purchase items they want before price readjustments.

Over the past 2 days, people in the municipality were calm and the market quiet. Residents are quite understanding toward the price readjustment. A retired doctor living in Tianqiao said: In the past, we stressed the importance of stable commodity prices although quite a few commodities were unavailable to ordinary people who had the money but could not get them. In my opinion, frozen prices are not necessarily a blessing, and readjusting prices in a guided and systematic manner is not a bad thing either. Decentralization of prices can spur production, increase market supply, and, in the long run, lower prices. Some old Beijing residents said: Public bathhouse's 0.26 yuan admittance fee remained unchanged for more than 30 years. Some public bathhouses were closed because of deficits. It was becoming more and more difficult to find a public bathhouse. We suggested long ago that we pay a little more to go to a public bathhouse.

To prevent some units and individuals from unilaterally expanding the scope of price readjustment and increasing prices without authorization, departments in charge of pricing at all levels in Beijing have organized more than 15,000 price inspectors to reach out to commercial establishments to publicize, supervise, and inspect prices. The municipal Administration for Industry and Commerce as well as departments in charge of commerce and service trade have also tightened control over the market, provided an ample supply of goods, and ensured availability of services, while resolutely striking at lawbreakers who engage in speculation and profiteering and who manipulate the market.

Market Scene Described

HK130343 Beijing ZHONGGUO XINWEN SHE in Chinese 1257 GMT 10 May 85

[Report by ZHONGGUO XINWEN SHE reporter Qin Lang: "Beijing's Nonstaple Food Market on First Day of Price Adjustment" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 10 May (ZHONGGUO XINWEN SHE) -- At 0000, 10 May, in Beijing's biggest food market, the Xidan nonstaple food market, a young man in his 20's placed six new price cards on a counter where pork is bought and sold. Beijing's readjustment of the prices of meat, poultry, eggs, and fish, which has been brewing for a long time, officially became effective today. By midnight, this market had recorded a record turnover of 210,000 yuan. However, it was still crowded with customers early this morning.

In a matter of 5 minutes, 4 people had come to inquire about yellow croakers, whose price has risen most sharply.

Yang Weixin, a 64-year-old retired worker, bought two silver pomfrets at a price of 2.8 yuan each. He said that he liked sea fish and that it was a pity he could not always find them on sale. He and his wife are now living on their pensions and, compared with that of other Beijing citizens, their income is moderately low.

In Beijing's biggest supermarket -- the Jinghua supermarket, the woman cashier was shocked by the large number of customers. She said that she had not expected many customers today because they had bought so much food in the previous 2 days.

With a basket in her hands, an apparently well-off elderly lady told a saleswoman who knows her that she had intended to have a look at things only and that she wanted to buy something after looking around. Compared with that of raw meat, said the elderly lady, it seems that the prices of cooked meat products have risen more sharply.

Many citizens had bought some canned food before the price readjustment. However, they discovered today that the price cards had not been replaced with new ones.

The roast-duck shops were crowded with citizens 2 days ago. These people wanted to have a taste of this famous dish before its price goes up by about 100 percent. Zhao Qinzeng, a senior worker of the Quanjude roast-duck shop at Hepingmen, complained that he had a difficult time dealing with his friends, who had kept asking him to buy roast ducks for them.

Responsible persons of Beijing's financial and commercial departments are happy with conditions in the markets over the past 2 days. One of them said: China's senior leaders have reminded us that the citizens could disrupt the market by rushing to buy goods everywhere. It is fortunate that everything is in good order.

I. 13 May 85

K 4

CHINA
PRC NATIONAL AFFAIRS

A well-informed expert said that the citizens understand that although prices are going up by a big margin, it is for the purpose of restructuring prices, not as a result of a shortage of foodstuffs. Nothing unusual has happened at the savings deposit departments of the 44 banks in the western part of the municipality in the past few days. People deposited and withdrew money as usual. In fact the total amount of money deposited exceeded the total amount withdrawn by 590,000 yuan.

The citizens are extremely anxious that the prices of other goods may go up in turn. It is very unlikely that this will be the case. The urban administration department has organized a team of more than 15,000 to disseminate propaganda and to inspect prices. From today on, they will frequent the streets in order to strictly inspect prices.

PLA CARRIES OUT STREAMLINING, REORGANIZATION

HK110420 Beijing ZHONGGXUO XINWEN SHE in Chinese 0359 GMT 11 May 85

["Chinese Armed Forces Get To Work on Reduction and Reorganization" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 11 May (ZHONGGUO XINWEN SHE) -- The Chinese Armed Forces are getting to work on reductions and reorganization. According to a report in today's JIEFANGJUN BAO, since 8 May the Lanzhou, Fuzhou, Nanjing, Jinan, Beijing, Shenyang, and Guangzhou Military Regions have dispatched up to 100 work teams to grass-roots companies to seriously carry out ideological and political work for structural reform, streamlining, and reorganization.

The Air Force and the Navy have also started reductions and reorganization. Air Force Commander Zhang Tingfa and Political Commissar Gao Houliang summoned the leaders of the organs and major units to look into the question of further getting a good grasp of grass-roots building. To date, over 30 work teams have been sent to the flight, radar, antiaircraft, and missile units. The Navy issued an instruction on 9 May demanding that leaders organize the grasping of one level by another and set a good example in streamlining and reorganization. Xie Zhenghao, commander of the East Sea Fleet, has led a fleet work team to carry out investigations in the organs and units at a certain base.

According to JIEFANGJUN BAO, the central task of the Chinese Armed Forces this year and next is to carry out structural reform, streamlining, and reorganization. The CPC Central Committee's Military Affairs Commission has made careful and detailed arrangements to ensure that the work of streamlining and reorganization will proceed smoothly.

JIEFANGJUN BAO on Job Transfers

OW110616 Beijing Domestic Service in Mandarin 2230 GMT 9 May 85

[Text] JIEFANGJUN BAO frontpages a report that the Wuhan Air Force conducted education in paying attention to the overall situation, party spirit, and discipline, thereby enabling over 1,000 office cadres scheduled for transfer to civilian jobs to accept the troop decision of streamlining and reorganizing so as to leave their units as scheduled in the best mental state.

Another report on the same page says that the Beijing Military Region's Logistics Department has decided to expel (Zhang Wencai) from the party and dismiss him from his post as a punishment for his disobedience to the decision to transfer him to civilian job and his unreasonable refusal to leave the unit for 6 years.

JIEFANGJUNG BAO accompanies these two reports with an editor's note pointing out that to victoriously carry out the tasks of reforming the system and streamlining and reorganizing the Army, we have to rely on forceful and effective ideological work on the one hand and, iron discipline as a guarantee on the other.

JIEFANGJUN BAO on Streamlining

OW110748 Beijing XINHUA in English 0740 GMT 11 May 85

[Text] Beijing, May 11 (XINHUA) -- The central task of the People's Liberation Army (which comprises China's Air and Naval Forces as well as the ground troops) for the rest of this year and next year is to streamline the organization and simplify its administration, says an editorial note on the front page of today's LIBERATION ARMY DAILY. It is essential to simplify the leading Army organizations at various levels and promote younger officers to the senior ranks, says a signed article on the same page, entitled, "Historic Duty of the Army Veterans."

Earlier, Deng Xiaoping, chairman of the Communist Party Central Advisory Commission, had urged the promotion of more outstanding young and middle-aged officers to top posts in the Army at a seminar sponsored by the Central Military Commission last November. The article calls on the Army veterans to offer their positions to younger people. This in itself is a contribution to the revolutionary cause, the article says. Meanwhile, leading organizations of the People's Liberation Army have sent work groups to the bases to help with the streamlining and simplification of Army administration, the paper reports. They include the military area commands of Lanzhou, Fuzhou, Nanjing, Jinan, Beijing, Shenyang, and Guangzhou, as well as the leading departments of the Navy and Air Force.

YU QIULI ON PLA DISCIPLINE INSPECTION WORK

OW101351 Beijing XINHUA Domestic Service in Chinese 1604 GMT 8 May 85

[By reporter Xiong Zhenyan]

[Text] Beijing, 8 May (XINHUA) -- The all-Army discipline inspection work conference closed today. Yu Qiuli, deputy secretary general of the Central Military Commission and director of the General Political Department, attended and addressed the conference. He pointed out: To do a good job in structural reform and strength-reduction reorganization is this and next year's central task for the PLA. Discipline inspection committees at all levels should start from this task of overall interests, clearly know their responsibilities, and concentrate their forces on firmly doing good discipline inspection work in the course of strength-reduction reorganization.

The conference, which began in Beijing on 3 May, was attended by the responsible persons of the discipline inspection committees of all major units of the PLA. In accordance with the guidelines of the national conference on discipline inspection work, and in consideration of the PLA's realities, the all-Army conference emphatically discussed the question of how the discipline inspection work could ensure, in a still better way, the smooth processing of strength-reduction reorganization, and continue to correct the new, unhealthy tendencies.

Yu Qiuli emphasized in his speech: In order to complete its strength-reduction reorganization, the Army should rely mainly on the leadership of the CPC Central Committee and the Central Military Commission, effective ideological work, and meticulous organizational work. At the same time, it must have party spirit, style and discipline to ensure a successful reorganization. It would be very hard for such a major reform to proceed smoothly if the Army did not display very good party style and enforce strict discipline.

He said: In order to do good discipline inspection work in the course of strength-reduction reorganization, we should think and act ahead. We should do all we can to anticipate every situation, and adopt effective measures to ensure completion of the reform and strength-reduction tasks. Under the new reform situation, discipline inspection committees at all levels in the PLA should strengthen, not weaken, their work.

The conference had a thorough discussion on the problems which might arise in the course of the Army's strength-reduction reorganization, and on how discipline inspection work could ensure the smooth processing of strength-reduction reorganization. Many feasible opinions and methods were put forward during the conference. The conference held: In the course of strength-reduction reorganization, most party-style and party-discipline problems in the course of strength-reduction reorganization will be caused by improper readjustment and handling of personnel, financial, and material resources. Discipline inspection committees at all levels should work, in coordination with departments concerned, to step up inspection and supervision in those respects. It is necessary to ensure that servicemen obey orders in all their actions, and to prevent and correct disobedience of transfer or assignment orders. It is necessary to ensure that the leading cadres at all levels correctly implement the party's cadre policies, and prevent and correct the unhealthy practice of favoritism in appointments. It is necessary to ensure that PLA units resolutely observe financial and economic discipline and regulations, and to prevent violation of law and discipline regarding the handling of financial and material resources. It is necessary to set strict demands and strengthen inspection and supervision over leading cadres. It is necessary to stress ideological education, fundamentally raise party members' ideological consciousness, energetically publicize good people and their deeds in connection with strength-reduction reorganization, foster healthy trends, and overcome negative with positive factors.

AIR FORCE COMMANDER ZHANG TINGFA IN NEI MONGGOL

SK100419 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 9 May 85

[Text] In late April when inspecting the work of a certain Air Force unit stationed in our region, Zhang Tingfa, commander of the PLA Air Force, joined the cadres and soldiers in the activities to plant trees to green the barracks area. He praised the unit for its good job in greening the barracks area.

Commander Zhang Tingfa inspected the work of the unit in June 1977 shortly after it was transferred to this area. At that time, sand and stones flew all over whenever the wind blew because there were few trees in the barracks area. Seeing this, Commander Zhang Tingfa instructed that it is necessary to develop tree and grass planting and beautify the barracks area. He said: I will visit this unit again when the trees grow.

Over the past 8 years, cadres and soldiers of this unit have planted trees and grass on sandy areas and barren hills and around barracks, and built flower beds. By last year, they had planted more than 1 million trees, and became an advanced unit which distinguished itself in afforestation.

WENYI BAO ON FREEDOM OF CREATION, COMMENT

HK080717 Beijing WENYI BAO in Chinese No 3, 7 Mar 85 pp 10-12

[Article by Feng Mu: "Regarding Freedom of Creation and Freedom of Comment"]

[Text] As I see it, the question on freedom of creation recently raised by the CPC Central Committee is of far-reaching significance. Freedom of creation naturally involves freedom of comment, freedom of research, and the freedom to engage in academic activities. In other words, the full extent of freedom should be granted to all sorts of creative mental labor which are classified as artistic activities provided that they are subject to the same orientation. Such an interpretation, indicates only one aspect of artistic activities. In a more profound sense, freedom of creation and comment currently set forth by the CPC Central Committee as a guiding principle signifies that our party, based on the summation of experience, has made another new, profound, and historically significant exposition of the socialist guideline for literature and art to be implemented in our country.

There were several major readjustments of the guideline for literature and art in recent years. The first concerned a change in orientation -- the slogan of serving the workers, peasants, and soldiers and serving politics was changed into that of serving the people and socialism. The second was on the criteria for literary and artistic criticism -- the principle of the political criterion first and the artistic criterion second was changed into the principle of unity of politics and art. Although the latter principle has yet to be further expounded on in theory, obviously it is much better than the former. I believe that it is based on a thorough study of the lessons drawn from its work in the literature and art fields in past few decades that the CPC Central Committee definitely puts forth the slogan of freedom of creation, an accurate judgment in keeping with the actual situation and with scientific principles. We have suffered heavily from "leftism." The "leftist" line has caused enormous or even disastrous harm to our country's revolutionary cause in the past. The literature and art front was not exempted from the suffering either -- "leftism" has had considerable influence on the literature and art front. After the smashing of the "gang of four," especially after the 3d Plenary Session of the 11th CPC Central Committee, we expected that the pernicious influence of "leftism" on the literature and art fields could be eliminated step by step and in a planned way as everybody had clearly perceived the perniciousness of "leftist" influence. This was also a justifiable historical mission, just like the one being carried out on the economic front. However, there are always some setbacks in the course of development. Since the third plenary session, various fronts have been making efforts to eliminate "leftist" influence, and the literary and artistic circles have also done a good job in resisting "leftism" and overcoming mistakes in other aspects. But, as an undeniable fact, some comrades in some areas are still persisting in "leftism." Fortunately, more comrades have now gradually sensed this tendency and have begun to realize that solving this problem is an urgent and important task. Many comrades know that, like the case of rural reform which has an important bearing on the development of the whole society, "leftism" may lead our art and literature to a predicament if we fail to overcome "leftism's" perniciousness regarding art and literature. Consequently, there will be no real and lasting prosperity in the literature and art fields, and literary and artistic development will fail to keep in pace with socialist construction, not to mention introducing our literary and artistic work to the world.

Thus it can be seen that freedom of creation and comment is not a slogan set forth by any individual leading comrade on impulse to cope with a certain specific phenomenon but a definite principle of fundamental importance based on the lessons drawn from the long-term struggle on the ideological front over more than half a century. For this reason, we say that this slogan is of far-reaching historical significance.

In a speech which he delivered on behalf of the CPC Central Committee, Comrade Hu Qili made it clear that freedom of comment should be a component part of freedom of creation, in other words, freedom of comment is originally included in freedom of creation. I am afraid that we have seldom conscientiously considered this question before. Now we can present justly and with perfect assurance freedom of commentary to every critic of art and literature, thus to every editor as well. WENYI BAO, with literary and artistic criticism as its major task, should especially thoroughly think about this question. WENYI BAO supports the guideline laid down by the 3d Plenary Session of the 11th CPC Committee and the comrades of WENYI BAO are disgusted with "leftism." After the smashing of the "gang of four," WENYI BAO has actively engaged in the struggle of setting to right things which had been thrown into disorder, including the debates on the two "whatevers," the two "directives," and the cancellation of the charge of upholding the "black line directing literary and art creation." WENYI BAO has upheld a clear-cut stand in the debate about the question of negating the work in the literature and art fields during the "16 years" prior to the Cultural Revolution, thus has defended the principle put forth by the 3d Plenary Session of the 11th CPC Central Committee. WENYI BAO also organized discussion on several literary works, such as "Legend of Tianyun Mountain," "Man at Middle Age," and "Tree-Planting." The spirit of freedom of comment was upheld in the course of discussion, the practices of bludgeoning and making a final political appraisal of someone were avoided, and all parties involved in the discussion were allowed to voice their opinion freely. Therefore, good results were scored although there were tremendous differences of opinion between different parties. By and large, WENYI BAO has paid attention to the struggle against "leftism" in literature and art and has made some achievements. However, due to various historical factors and different conditions, subjective or objective, WENYI BAO has displayed blindness in the discussion on certain theoretical problems. The influence of prejudice was seen in the course of sharp debate. For example, with respect to the discussion on the question of the modernist school, WENYI BAO published some good articles, but also showed a certain tendency toward oversimplification and failed to adhere to the principle of seeking truth from facts on certain occasions. The discussion has pushed some comrades to study and think about something and has increased some comrades' knowledge. But the discussion on this specific and quite complicated question also displayed some oversimplified and one-sided viewpoints. Some articles reflected blindness and lack of knowledge on the part of their authors. Although our country is carrying out economic reform and implementing the open-door policy, some of our comrades are still maintaining a closed-door mentality -- they always guard against all alien things when first encountering them, instead of taking a positive attitude to absorb any new and useful thing. Such a mentality does not conform with the open-door policy which our country is carrying out in the economic field. To cite another example, we repeatedly emphasized at the very beginning the definition of the discussion on the "three sudden appearances" [san ge jue qi 0006 1512 6386] as an ideological debate in which various schools of thought would be allowed to contend and nobody would be criticized from the higher plane of principle. So far this discussion has scored certain results and some articles reflecting objective and fair points of view have been published.

However, some articles are not persuasive enough, lack depth, and have failed to encourage full contention between different opinions, and thus are not in keeping with our original expectations and targets. All these lessons are worth being firmly borne in mind.

Some comrades are dissatisfied with WENYI BAO for publishing some articles showing the tendency of oversimplification and "leftism," some comrades have waged even stronger criticism against WENYI BAO, complaining that it is playing the role that some "leftist" journals used to play. Of course this comment is somewhat exaggerated, but it should really be brought to the attention of our comrades at WENYI BAO. Starting from our feelings, we hate "leftism" and advocate the opposition of "leftism." None of us at WENYI BAO have ever forgotten "leftism's" interference with our journal. As we have refrained from voicing extremist opinions and overdoing things since last year, we have even been severely condemned by some comrades. They brought a terrifying charge against us, accusing us of acting as the umbrella for bourgeois liberalization. Sometimes we have failed to maintain a sober head and uphold a clear-cut stand. Puzzled by the pressure, we have published some articles which do not accurately represent our own real viewpoints. But this is not the fundamental reason. In fact, some of our articles have embodied some oversimplified and one-sided viewpoints which suit certain "leftist" ideological trends. Then how can this phenomenon be explained? While claiming that WENYI BAO opposes "leftism" and is utterly disgusted with "leftism," we admit that WENYI BAO is still showing a certain degree of "leftism," and has failed to resist "leftist" influence steadfastly. The reasons for this are very complicated. In my opinion, the fundamental reason lies in the fact that we still have not completely cast off the yoke and influence of the "leftist" ideological system.

Promoting "leftism" is a traditional practice in the literary and artistic fields. A comrade told me about his personal experience. He said: We cannot help but feel a little anxious. We feel that our literature and front and our contingent have already become accustomed to a complete set of principles, policies, guiding ideology, and specific measures which oppose rightism, oppose bourgeois liberalization, oppose right deviation, and stress class struggle in the ideological field. All these things never fail to show themselves at the mere mention of any appeal, mobilization, or hint. Simple and frank, what he said really reflects the pain keenly felt by many comrades in the literary and artistic fields. In the past, we used to think that we were particularly sensitive and swift in opposing "leftism" but particularly insensitive and slow in opposing rightism when examining our work. This argument is absolutely ridiculous under the present circumstances. Is it not a good thing to be swift in opposing "leftism"? Why can it be regarded as a weakness? This showed that we have retained some muddled ideas and, in many cases, continues to wholeheartedly believe in "leftist" ideology. This was partly because we used to take class struggle as the key link over the years in the literature and art fields. Under the guidance of the ultraleft ideology, we repeatedly launched political campaigns which enabled a "leftist" ideological system to take shape. As a result, we have got used to these "leftist" things. This force of habit has long-standing and constant influence on us and causes us to lose our head particularly when we are faced with complicated circumstances. We often show blindness and cannot get rid of the influence of the ultraleftist ideological system especially when handling extremely complicated contradictions among the people. This is the very reason why WENYI BAO has failed to steadfastly oppose "leftism" in some cases during a certain period although the journal does intend to oppose "leftism."

We must have a clear understanding of this problem. Now it is time for us to view from a historical perspective the necessity and urgency of opposition to "leftism" and its importance to the development of socialist literature and art. At the same time, we must also keep a strong sense of social responsibility in doing our best to prevent and resist any possible corrosion by degenerate bourgeois and feudal thinking. As long as this problem remains unsolved, the development and prosperity of literature and art can only be empty talk. Anyway, we can no longer persist in the old habitual concept which always gives first priority to "struggle against deviation" in the ideological field. To my knowledge, many comrades do not favor the practice of dealing with extremely variable and complicated phenomena in the literary field in the light of either leftist or rightist political concepts. I agree that we are in an important historical period and "leftism" is the number one fundamental problem which most urgently needs to be dealt with; but at the same time we must also overcome any possible influence of the exploiting classes' erroneous thinking on literature and art by proper means and in accordance with the principle of persuasion and education. Anyway, overcoming the pernicious influence of "leftist" ideology is a task of top priority which we are currently faced with in our efforts to further emancipate and develop the productive forces in the literature and field. It is a fact that "leftist" influence is long-standing and deep-rooted. Even some comrades who claim themselves to be "anti-leftist" are not immune to the influence of "leftist" vestiges. We must solve this problem by conscientiously summing up experience.

Freedom of creation and freedom of comment are the two arms of the socialist literary cause. The two freedoms complement each other and neither one can be dispensed with. Without freedom of creation, freedom of comment is just out of the question. If freedom of comment is not guaranteed, freedom of creation can hardly develop smoothly. Now the problem is how are we to genuinely implement freedom of comment. The greatest obstacle to freedom of comment is the ultraleftist method of comment. What is literature and art criticism? It is also a kind of creative mental work. However, a viewpoint which has long been prevalent holds that literature and art criticism is merely a means to be used by the party in exercising its leadership over the work in the literature and art field and a tool indispensable to the "struggle against deviation" in political life. The function of literature and art criticism is to find any problems, deviation, malpractices, and "new tendencies" which go counter to socialism. So far some comrades have not yet completely cast off the yoke of such a concept. I quite agree with the opinion, namely, the criteria for good literature and art criticism should at least include the following points: First, it is not allowed to lavish praise on any literary work; good is good and bad is bad, in other words, the principle of seeking truth from facts must be upheld. Second, no one is allowed to bludgeon others or put labels on others. Third, it is necessary to draw a clear demarcation line between literature and are criticism and personal attack. Fourth, while freedom of criticism and freedom of counter criticism are guaranteed, it is also necessary to guarantee the freedom for those criticized comrades to reserve their opinions temporarily or for a long period of time. Any correct opinion put forth by these comrades should not be ignored indiscriminately even if they are persisting in certain wrong opinions.

Freedom of creation and comment is another expression of the "double hundred" principle. The only correct way to realize freedom of creation and comment is to implement the "double hundred" principle in real earnest. We must guarantee full freedom for all kinds of literary creation with different themes, content, and styles and in different forms. As long as we manage to fulfill this task, there will be vast vistas for the development of literary creation. (This article is transcribed based on a recording of a speech delivered by the author at a forum on "Creation and Comment" sponsored by WENYI BAO)

HONGQI ON LABOR DAY, TRADE UNION ANNIVERSARY

HK100349 Beijing HONG I in Chinese No 9, 1 May 85 pp 2, 10

[Editorial: "For the Sake of Our Lofty Ideals -- Celebrating 1 May International Labor Day and Commemorating the 60th Anniversary of the Founding of the All-China Federation of Trade Unions"]

[Text] Being the class with the loftiest ideals, the working class is most willing to fight and sacrifice for its ideals. It is the lofty aspiration and noble mission of the world's working class to abolish the system of exploitation of man by man, to build socialism, and, eventually, to realize communism. It was precisely for the sake of this aspiration and mission that our working class bravely fought and founded a unified national federation of trade unions 60 years ago. Having arduously fought under the leadership of the CPC for more than 60 years, our working class and the people of various nationalities in our country have advanced very far ahead toward the magnificent goal of communism. In addition, in the economic, political, ideological, and cultural spheres, they have established bases for further advances. It is the unshirkable historical duty of the present working class to set off on an even longer journey from the existing bases in order to bring about the ultimate attainment of its magnificent goal.

The current reform is China's second revolution. The purpose of this revolution is to change the things and links in production relations and in the superstructure that are in conflict with the development of productive forces and to build socialism with Chinese characteristics. Our implementation of the policy of opening the country to the world and opening the provinces to one another, our reform of the economic structure and the system governing science and technology, and our educational and cultural reforms are aimed at promoting the socialist cause, giving impetus to the building of the socialist material and spiritual civilizations, and bringing about common prosperity. The reform will certainly lead to the consolidation and development of the socialist economic system based on public ownership, the attainment of better social and economic results, the development of scientific and cultural undertakings, and the expansion of socialist democracy. This is a cause which gives the country strength, brings the people prosperity and happiness, and creates both material and spiritual conditions for the realization of communism. At present, we must relate our ideals to the reforms. Similarly, in carrying out the reforms and the four modernizations, we must also have ideals. If we think that the reforms and communism are totally unrelated, that the purpose of the reforms is to make money, and that ideals are dispensable, we will get lost, have no more vigor, and be unable to make the reforms a success, and socialist modernization will be impossible. Combining our ideals with the reforms, reforming for the sake of the realization of our lofty ideals, and never forgetting our lofty ideals in the course of the reforms are the ideological guidance to which we must adhere in the course of the reforms.

In order to attain the magnificent goal of communism, the masses of workers should have an adequate understanding of their status as masters and their responsibilities and play the role of masters of their own affairs. The working class should, as an advanced class, direct and support the reforms with all its wisdom and strength and contribute to the reforms. On the one hand, we should, in compliance with the arrangements made and the demands set by the central authorities, properly do our work and support constructive explorations, experiments, and innovations in the course of the reforms. On the other hand, it is necessary to adhere to socialist principles, to observe party and state discipline, and to resolutely prevent and correct unhealthy tendencies in order to give impetus to the steady, healthy development of the reforms.

Our trade unions, workers' congresses, workers, intellectuals, and cadres should combine their protection of the interests of the state and the people with their protection of the legitimate rights and interests of the workers and the masses and, in handling part to whole relations, the relations among the interests of the state, the collective, and the individual, and the relations between immediate interests and long-term interests, firmly acquire the idea of how to distinguish between right and wrong; and despise those who seek gains for themselves and their own units at the expense of the state and the people and praise those who always take the overall situation into consideration and who always ensure, even at some expense to the benefits of their own units, that the overall interests of the state and the people are not infringed upon.

Only by fighting arduously can we realize our ideals and fulfill our tasks. Fighting is a test of our strength, spirit, and wisdom. Only by striving to improve themselves spiritually and to improve their education and technical competence can our workers meet the requirements imposed by the reforms and the four modernizations and be worthy of the name of masters of this great age. In this regard, trade unions at all levels have heavy responsibilities. On the one hand, the trade unions should see to it that the workers are given better material benefits. On the other hand, they should also see to it that there are improvements in their ideological understanding, education, and technical competence. It is necessary to teach the workers, the young workers in particular, to have ideals and to observe discipline, to commend those advanced people who do their work with a communist attitude, and to teach the workers, the young workers in particular, to strive to acquire cultural and scientific knowledge, to better their skills, to strictly observe discipline, to work hard, to fight hard, and to do their work properly. It is necessary to strengthen the solidarity within the working class, to strengthen the unity between the workers and the intellectuals, to be united with the people of all nationalities in the country, to fight side by side with them under the banner of communism, and to fight in the course of the reforms and the four modernizations. In this way, we can advance further and further on our way to the attainment of our goal.

BAN YUE TAN ON NEW GRAIN PURCHASING SYSTEM

HK060127 Beijing BAN YUE TAN in Chinese No 8, 25 Apr 85 pp 28-29

[Article By Liu Xinjiang: "How Are We To Carry Out Contracted Purchase of Grain?"]

[Text] The CPC Central Committee and the State Council have decided that beginning this year (the annual year for grain begins on 1 April) planned purchase of grain will be abolished and replaced by contracted purchase of grain.

The so-called contracted purchase of grain means that the state orders grain from producers by signing contracts with them. Specifically the state works out plans for ordering grain in accordance with demand. According to the stipulations contained in the plans concerning the categories and quantity of grain to be purchased, grain departments sign contracts with peasants. The grain which is not covered by the purchase plans will be freely handled by the producers. This helps promote multichannel management of grain. The price of grain is calculated according to a "70:30" ratio (70 percent is based on previous above-quota purchase price, and 30 percent is based on previous planned purchase price). To encourage peasants to produce more high quality grain in accordance with the principle of higher prices for better quality grain and lower prices for poor quality grain, with the condition that the "70:30" ratio remain in effect, various provinces, autonomous regions, and municipalities directly under the central government may properly increase the purchase price of high-quality and marketable grain, and reduce the purchase price of the low-quality and unmarketable grain.

Grain which the state purchases includes wheat, rice, and corn. It also purchases soybeans produced by the six main-producing areas of Liaoning, Jilin, Heilongjiang, Nei Monggol, Anhui, and Henan. Other kinds of grains which are not covered by the state's plans can, in principle, be bought and sold freely. In light of the actual conditions wherein certain kinds of grain not covered by the state purchase plans are still the main staple food of some localities, to ensure sufficient supplies of such grain and non-staple foods for the cities and towns concerned, certain amounts of these kinds of grains may also be included in the state purchase plans.

The state's purchase plans for grain are implemented by localities at all levels. According to the plans, before sowing time, people's governments of counties and townships must organize grain departments to discuss with state farms, collective production units, and peasants the matter of purchasing their grain, and to sign contracts with them. The contracts should cover the categories and amount of grain set by the state, and the prices should be calculated according to the ratio fixed by the state. The contracts should be signed according to the requirements contained in the "law of economic contracts" and "regulations for purchase and sale of agricultural and sideline products." The signing of contracts means the embodiment of the economic activities of purchasing grain in legal form, and the specific implementation of the purchase plans.

Grain is a kind of important strategic material which concerns the national economy and the people's livelihood. Grain purchase plans formulated by the state are an important component part of the plans for the national economy and social development. It is a glorious obligation of peasants to sign contracts with the grain departments of the state and sell good grain to the state according to the stipulation contained in the contracts. Peasants in our country have always had a fine tradition of selling good grain to the state and supporting our country's construction. After abolishing the planned purchase of grain and replacing it with a contracted purchase, they should still continue to carry forward this fine tradition. They should sign contracts with the grain departments, which cover the categories, quantity and quality of grain fixed by the state, and execute the contracts concerned. They should go about things strictly according to the contracts in terms of the quantity, categories, and quality of the grain covered by the state's purchase plans. Under normal conditions, the fulfillment of the contracts must be guaranteed. When national calamities occur, the contracts can be properly amended through proper procedures provided that both contracting and contracted parties agree.

At present, while assigning plans for ordering grain, we should work in the interest of readjusting the rural industrial patterns. We should be clear about our focal points, and take into account the interests of the specialized villages and households which produce and supply more commodity grain. We should also encourage grain-producing areas and those who are good at producing grain to develop grain production. We should do propaganda and organizational work well so that the broad masses of people understand that our purpose in carrying out contracted purchases of grain is to develop grain production and boost its output, rather than reducing or restricting grain production. Those areas which are suitable for producing grain should still give play to their advantages to maintain the sustained growth of grain production.

STATE COUNCIL CIRCULATES REPORT ON HEALTH REFORM

OW100445 Beijing XINHUA Domestic Service in Chinese 0759 GMT 7 May 85

[Text] Beijing, 7 May (XINHUA) -- The State Council recently approved and circulated the Public Health Ministry's "Report on Several Policy Questions Concerning Reform of Public Health Work."

The report pointed out: The aim of reform in public health work is to fire up the enthusiasm of various quarters in providing better service, improving service quality and management level, and facilitating the prevention and treatment of disease for the convenience of the people. In carrying out reforms in hospitals, it is necessary to adhere to the principle of providing correct treatment, pay attention to rational use of medicine and rational checkups, and avoid waste; however, economic issues should not be the sole factor for reform.

The current situation in public health work is incompatible with the needs of the economic construction and the people. In order to accelerate the development of public health work, both central and local authorities should gradually increase expenditures and investments and, at the same time, institute reforms.

The report said: "In developing state-run public health institutions, both central and local governments, as well as various departments, should set up the institutions. It is also necessary to encourage industrial and transport enterprises and other departments to set up public health institutions and open them to communities. Enterprises and other establishments may cooperate with health departments in jointly running public health institutions." In building health facilities, it is necessary to establish large, medium-sized, and small institutions, with the emphasis on medium-sized and small public health institutions. Special efforts must be made to step up the construction of key specialized medical institutions, sanatoriums, and rehabilitation centers.

Discussing the expansion of decision-making powers of state-run public health institutions, the report said: Health institutions at various levels should actively create the condition for introducing the system of a hospital, clinic, or health station director assuming the sole responsibility of operations. It is necessary to institute a tenure system for hospital, clinic, and health station directors, an appointment system for other cadres, and a contract system for the workers. At the same time it is necessary to gradually establish and improve various systems of democratic management. Hospitals are to be held responsible for the fixed amount of state subsidy and given the right to dispose of the subsidy. Health institutions should introduce various forms of the management responsibility system which combines responsibility, power, and interests in the light of special characteristics of each institution, and should gradually reform the existing irrational system of collecting fees.

The report said: Medical institutions at various levels, grass-roots medical institutions in particular, should actively call on patients at their home and set up family hospital beds. It is necessary to reform the out-patient system and extend its hours for the convenience of the people. All medical and public health institutions should make full use of their facilities, raise their utilization rate, and expand the target of service whenever possible. It is necessary to actively create the conditions for setting up community-oriented enterprises that provide supplies, maintenance, repair, and other services for medical and public health institutions.

The report said: Efforts must be made to develop collectively-owned public health institutions. It is necessary to encourage and support collective economic organizations, towns, and neighborhoods to set up medical and public health facilities, encourage democratic parties and mass organizations to establish public health institutions, and encourage retired medical personnel to raise funds to found public health institutions. Collectively-owned public health institutions should be given sufficient decision-making powers in personnel, finance, management, and operations.

They should carry out independent accounting, assume responsibility for their profits or deficits, follow the principle of to each according to his work, and practice the system of democratic management. It is necessary to change the current system of state subsidies to collective public health institutions and give subsidies based on the situation of each institution's fulfillment of the tasks in medical prevention and public health.

It is necessary to support individual practitioners. Positive efforts should be made to organize and support those idle medical personnel (including minority doctors, herb therapists, and those with professional skills in certain medical fields) who have been tested and meet the qualifications as well as retired and discharged medical personnel to work as individual practitioners, to give medical treatment to patients at drug stores, to establish hospitals and midwifery clinics, and to carry out special nursing work as well as various hygienic, health-care, and consultative services. The report says that medical personnel should be encouraged to accept job offers in nearby rural areas, neighborhood health-care centers, out-patient clinics, and health schools to do part-time work, to teach, or to act as technical advisors. After fulfilling their required amount of work, doctors, nurses, and midwives should be permitted to use their spare time to treat patients, deliver babies, nurse patients, or engage in other medical and health-care service work.

The report points out: In rural areas, the establishment of village-level health-care organizations should be based on actual situation of various localities and in accordance with the intention of the masses. It is necessary to use various methods to develop medical work and to ensure that these health care organizations have sufficient doctors and medicine to meet the requirements, are capable of preventing and treating diseases, and can do propaganda work and give technical guidance for family planning. Village health-care organizations may be run by the collective economic organizations or by contractual basis. Alternatively, we may support rural doctors or health care workers to run such health care organizations themselves, or urban public health institutions may set up such health care organizations as their branches in rural areas. Whatever method is adopted, it is imperative for public health administrative departments to strengthen their leadership and control over such organizations so as to ensure the fulfillment of the tasks of disease prevention and health care.

It is necessary to further consolidate, improve, and raise to a high level the present health-care organizations in rural areas and, at the same time, to open up new avenues for developing medical facilities through many channels, at various levels, and in diverse forms. We should do a successful job in running county, village, and town medical and health-care organizations, in supporting collectives and individuals to develop medical and health-care undertakings, and in providing convenient medical services to the masses.

STATE COUNCIL CIRCULAR ON DEPRECIATION RATES

OW101231 Beijing XINHUA Domestic Service in Chinese 0848 GMT 8 May 85

[Text] Beijing, 8 May (XINHUA) -- The State Council calls on all regions and departments to strengthen the management and supervision of their depreciation funds and to make effective use of such funds in order to promote technological progress and economic development.

While promulgating the "trial regulations governing the depreciation of state-owned enterprises' fixed assets" on 26 April, the State Council pointed out in a circular:

All state-owned enterprises must strictly implement the depreciation regulations and effectively strengthen the management of their depreciation funds in order to really ensure the use of such funds for equipment renewal and technical transformation. It is not permitted to use these funds for any new projects, expansion projects, or capital construction projects. Departments in charge of enterprises, as well as financial, auditing, and tax organs, and banks all should, in light of their respective responsibilities, strengthen their supervision and inspection of withdrawals and use of depreciation funds by enterprises.

The State Council circular holds: The rate of depreciation of our state-owned enterprises' fixed assets is rather low. In view of the obsolete and backward equipment of enterprises, it is necessary to quicken the pace of equipment renewal and properly raise the depreciation rate. However, the depreciation rate must be raised according to our country's actual conditions, and it must be done with proper emphasis, by stages and in groups, and by taking the state's financial capability into account. In addition to the raised depreciation rates approved in 1983 and 1984 for some key enterprises and industrial enterprises in Shanghai and Tianjin, the depreciation rates may be appropriately raised for a small number of selected, large key enterprises and some light and textile industrial enterprises producing exports in coastal open cities. The depreciation rates for industries will be readjusted every year, and the Ministry of Finance will set and issue the rates after consulting with the State Economic Commission. No enterprise is allowed to raise the rate of depreciation of its fixed assets without approval and authorization from the Ministry of Finance.

FOUR MILLION YUAN AUTOMOBILE FRAUD UNCOVERED

HK120344 Beijing CHINA DAILY in English 12 May 85 p 3

[By Staff Reporter Su Zhen]

[Text] Shanghai -- Car dealing frauds involving 4 million yuan and 20 companies in eight provinces have been exposed by authorities, JIEFANG (LIBERATION) DAILY reported this week. The deal involved delivery of mythical Fiats.

In January, the Baoshen Industrial and Trading Company in Shanghai's Baoshan County arranged to buy 100 Fiat cars from the Xin Ya trade warehouse of Yongsheng Joint Company in Zhengzhou City, Henan Province, the newspaper said.

The contract set the price at 35,000 yuan for each Fiat -- a total of 3.5 million yuan. The delivery deadline was the end of March. Baoshen paid a deposit of 1.75 million yuan, the report said.

By the time Xin Ya discovered a middleman could not deliver the cars as promised, the cars had been sold and resold on paper many times over, at higher and higher profits. And Xin Ya had used all but 27,000 yuan of the deposit to pay off its former debts by the time the swindle was exposed, the report said.

First, Baoshen resold the vehicles to three other companies -- one in Shanghai and two in nearby Zhejiang Province -- at a profit of 3,000 yuan per car. It also speculated by selling an additional 10 cars it hoped would become available, the report said. Baoshen thus earned 4.29 million yuan profit, of which 60 per cent was paid in cash. Its commission on other deals ranged from about 1 to 3 percent. The fraud went on from company to company, the report said.

The Equipment Department of Tongji University reportedly bought 40 cars from Baoshen and charged 3 percent commission for passing the cars on to the China Haitong Electronic Technology Development Corporation and the Shazhou Industrial Corporation Ltd in Jiangsu Province.

Both corporations in turn became car dealers and profiteered by reselling the cars to another five companies in Shanghai, and Guangxi, Jiangsu, Shandong and Anhui Provinces. By then, the price had risen to between 45,000 and 47,000 yuan per car, plus three percent commission at each transaction.

The frauds snowballed over three months until they involved 4 million yuan, including an estimated 43,000 yuan in interest, the newspaper said. An investigation team has been jointly organized by Baoshan County, Henan Province and Zhengzhou Municipality to look into the fraud.

XINJIANG IMPLEMENTS REFORM-THROUGH-LABOR POLICY

HK100654 Beijing RENMIN RIBAO in Chinese 8 May 85 p 4

[Report by correspondents Feng Shou and Xi Ke and reporter Li Du: "The Reform-Through-Labor Bureau of the Xinjiang Production and Construction Corps Scores Good Results in Carrying Out Policy"]

[Text] At the end of 1984, many families in the hinterland received bulletins announcing meritorious service or notices of commutation of sentences sent from the great northwest. They were the New Year presents sent to their parents, spouse, or children by the prisoners serving their sentences in related units under the Xinjiang Production and Construction Corps.

Since 1983, the Reform-Through-Labor Bureau of the Xinjiang Production and Construction Corps has successively received prisoners transferred to Xinjiang by some other provinces and cities. Through 1 year or more of reform, many of them have been elected active elements in reforming themselves through labor, and a group of them have been given or are going to be given a reduction in penalty.

Of the transferred prisoners, there are a large number whose cases are serious and prison terms are long. Among them, quite a few are significant anti-reform elements, who are called prisoner's heads or bullies. In the early days after they were transferred to Xinjiang, anti-reform feeling ran high among them. However, cadres in charge of the administration and education of prisoners persistently did painstaking and meticulous work among the prisoners, educated them in the legal system, moved them with affection, and enlightened them through reasoning.

To avoid being sent to Xinjiang and subjugated to reform through labor there, Zhang Yuze, who was sentenced to 13 years' imprisonment for hooliganism, swallowed two aluminum rice ladles sent from Tianjin which wrapped together. After learning about his case, the leadership of the unit concerned took good care of him in all respects. When he had a pain in the stomach, more often than not the unit leader would personally bring him special food for patients. The head of the hospital where he was treated personally performed an operation on him. The unit leader and cadres in charge of the administration and education of prisoners went to the hospital to visit him, leaving him with nutriment and canned food. After leaving the hospital, when the unit leader put a freshly picked melon in his hands, he was so moved that he shed tears, and eventually he "sobered up."

In view of the situation in which in the 1980's most crimes were committed by teenagers, the bureau authorities compiled their own teaching materials and adopted multilayered methods of education characterized by diversified forms and contents. Apart from conducting education among the prisoners in pleading guilty and obediently serving sentences, observing discipline, and in world outlook, they vigorously conducted informative and entertaining cultural, educational, book-reading, theatrical, and sports activities with a clear objective in mind, in conjunction with the history of reclamation of wasteland by the corps and of Xinjiang's development.

The transferred prisoners have an insatiable thirst for knowledge. Eighty percent of them have begun general knowledge or technical courses. In light of the cultural level of the prisoners, some units run literacy classes and junior and senior middle school courses, with fixed teaching materials, teachers, timetables, and regular examinations.

Zhu Yuguo, a 22-year-old prisoner from Beijing who was sentenced to 7 years' imprisonment for theft, could not even write his own name when he began serving his sentence on a reform-through-labor basis. It was only after attending the literacy class that he began reading books on laws and ethics. Now he has mastered up to 2,000 Chinese characters.

The corps also organized the prisoners to visit state farms and household-run farms and the newly built cities and factories on the edge of the Gobi Desert. Through such activities, moved by the enterprising spirit displayed in those years by the fighters of army units engaged in wasteland reclamation, the prisoners expressed their determination one after another to study hard, to reform themselves with more determined efforts to turn over a new leaf, and to do their part in developing the great northwest by following the path already opened by the older generation.

To obtain the help of society and the prisoners' families, they conducted one-man, one-letter activities, encouraging the prisoners to regularly report what they had achieved in reforming themselves through labor to their family members. When the wife of Sun Guocheng, a prisoner from Beijing, came to visit him, the cadres in charge of the administration and education of prisoners made arrangements for her stay, offering her their bed and quilt. When Sun Guocheng's wife was about to leave, the cadres took a wedding picture for them. Sun Guocheng and his wife felt very much indebted. At the end of last year the husband sent a certificate of merit of a reform-through-labor activist to his wife, and the wife sent a tape recorder and cassettes for self-study courses to her husband. With profound feelings, Sun Guocheng said: "I have committed a crime, but the government has never discriminated against me. I am determined to strive to be an activist every year and when I leave prison, and I hope I will have had a college education."

The Xinjiang Production and Construction Corps, formed by officers and soldiers transferred to civil work 30 years ago, has a glorious tradition of building enterprises through arduous effort. In implementing the principles concerning reform-through-labor work, particularly the principle that stresses "reform first and production second," they have carried forward this glorious tradition and vigorously developed production. In 6 months' time after being transferred to Xinjiang, the prisoners could already eat the Hami melons and vegetables they grew themselves. Quite a few reform-through-labor units have become self-sufficient in meat and vegetables. The prisoners can play ball games on the grounds they built themselves and take a bath in their own ponds.

Through performing labor the prisoners have come to realize the value of man's conduct in society, and with the achievements of their labor, they have come to see the joy of taking part in creative labor.

Jiang Yanjun, aged 22, said: "I was born to a cadre family and used to lead an easy life, with everything provided. When I ate the Hami melons which I grew myself, I felt they were sweeter than anything else."

In organizing the prisoners to do productive labor, the Reform-Through-Labor Bureau of the Xinjiang Production and Construction Corps also stressed developing diversified undertakings by giving full play to the professional skills of the prisoners in all fields. In the recesses of the Tarim Basin, there are "Shanghai clothes shops" run by the prisoners. The Jiangfang heavy-duty truck driven by first-class driver Zheng Yongquan in the Wangjiaqu reclamation area of the corps was equipped with an electronic flash device made by prisoner Liu Qiangsheng. Well received by the users, this electronic device, whose electricity consumption is only 1 percent of that of the filament flash device but its service life is 20 times longer than the latter, has been mass produced. When inspecting the Xiaozhizi Reform-Through-Labor Farm in Kashi, Chen Shi, commander of the Xinjiang Production and Construction Corps, said to the prisoners: "Work hard to reform yourselves and exert yourselves in study. In the future, let's build the great northwest together!"

SPACE TECHNOLOGY USED IN CIVIL PRODUCTION

OW121232 Beijing XINHUA Domestic Service in Chinese 0847 GMT 10 May 85

[By reporter Meng Xiangjie]

[Text] Beijing, 10 May (XINHUA) -- This reporter has learned from the technology achievements show sponsored by the Ministry of Astronautics Industry that China's astronautics technology has been applied to civilian production. In fact, the output value of civilian products surpassed that of military products in 1984.

According to a briefing, China not only can apply remote-sensing data to mineral and petroleum prospecting, seismological and geological surveys, mapping, archaeological research, construction of harbors and waterways, and mapping of coastal areas, but many advanced technologies from satellites and carrier rockets have general purpose applications. Technologies for automation, remote-surveys, remote-sensing, remote-control, temperature-control, computer software, infrared lasers, and refrigeration, as well as parts and components of the satellites and rockets, can mostly be applied to production of civilian products through adaptation and improvement.

The astronautics industrial front boasts abundant qualified personnel and a strong technical force, as well as comparatively advanced and complete research and design capability. In recent years, the Ministry of Astronautics Industry actively implemented the policy of "military-civilian integration" by organizing development and production of civilian products. As a result, the output value of civilian products rose year by year. The astronautics industrial departments have successively established technological or economic ties with the various provinces, municipalities, and autonomous regions, as well as with the concerned state ministries and commissions. They have also organized the scientific and technological personnel of the subordinate units to exchange and trade technologies in 14 provinces and municipalities, and to assist the local enterprises' technological transformation. Last year, they signed 1,399 technology-transfer contracts and agreements with the various localities, with a total turnover reaching 65.95 million yuan. At the Hangzhou technology trade fair held early this year, they signed 959 contracts, agreements, and protocols on technology transfer with the various provinces, municipalities, and autonomous regions, with a total turnover reaching 254.5 million yuan.

FOREIGN EDITIONS OF DENG BOOK PUBLISHED

OW110330 Beijing XINHUA Domestic Service in Chinese 1310 GMT 9 May 85

[Text] Beijing, 9 May (XINHUA) -- The book "Building Socialism With Chinese Characteristics" by Comrade Deng Xiaoping has been translated into seven foreign languages and is currently being distributed here and abroad.

"Building Socialism With Chinese Characteristics" is a compilation of Comrade Deng Xiaoping's opening address at the 12th CPC Congress and his other important talks and speeches from the last 2 years.

The English, French, Spanish, Russian, and Japanese editions were translated by the CPC Central Committee Bureau for Translation of Marx-Engels-Lenin-Stalin Works and published by the Foreign Languages Press; while the German and Arabic editions were both translated and published by the Foreign Languages Press.

HENAN COUNTY WORKS AT SERVING PEOPLE BETTER

OW100610 Beijing XINHUA Domestic Service in Chinese 0120 GMT 10 May 85

[By reporters Li Haifu and Ji Shifa]

[Excerpts] Zhengzhou, 10 May (XINHUA) -- XINHUA editor's note: Wholeheartedly serving the people is a fundamental goal every Communist Party member should keep in mind. However some party members now seem to take a dim view of serving the people. The people's well-being is not so important to them now. In the course of second-stage party rectification, the party committee of Qi County, Henan, has taken the practical situation into account, done a few good turns for people in the mountainous areas, solved their long-standing problems, restored the party's fine traditions, and enhanced the party members' party spirit. This is an important goal to be achieved during the current party rectification. Units undergoing second-stage party rectification may derive useful inspiration from it. [end editor's note]

Situated in northern Henan, Qi County is half mountainous and half plain. After second-stage party rectification started, the county party committee, in light of the actual local conditions, decided to give priority to fostering the idea of wholeheartedly serving the people under the new situation.

Therefore, the county party committee held a meeting of party member-cadres of party committees of 26 county-level bureaus undergoing second-stage party rectification. It heard reports on investigations in mountainous areas, and determined the gaps in thought and work of the various units, departments, and party member-cadres by using the yardstick: The goal of wholeheartedly serving the people as stipulated in the party Constitution. This enabled all party members to enhance party spirit, and further foster the idea of wholeheartedly serving the people.

With better understanding comes more conscious action. In the past month or more, the county has done a dozen or so good turns for peasants in the mountainous areas, including urgent matters which, over the years, the peasants had wanted solved.

HUBEI HOSTS CPC MEETING ON IDEOLOGICAL WORK

HK120157 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 11 May 85

[Text] A forum of a number of provinces on ideological and political work for enterprise staff and workers, convened in Huangshi City by the Propaganda Department of the CPC Central Committee, concluded yesterday after 6 days in session. Responsible comrades of propaganda departments of Sichuan, Jilin, Gansu, Henan, Liaoning, Hunan, Hubei, and Heilongjiang Provinces, and Huangshi and Wuhan Cities exchanged experiences and held discussions on how to step up ideological and political work during the period of reforms and build a worker force with ideals, morality, culture, and discipline.

The participants held: Comrade Deng Xiaoping has proposed that the people of the whole country should be taught to have ideals, morality, culture, and discipline. This is a strategic policy decision for building socialism with Chinese characteristics, and an important guarantee for the success of building the two civilizations and carrying out economic reforms. It is extremely important to step up ideological and political work in order to build a worker force with ideals, morality, culture, and discipline. People engaged in ideological and political work must continually study new situations, problems, and methods, and create a new situation in ideological and political work.

At present we should focus on doing a good job in ideological and political work in three aspects: 1) In conjunction with party rectification, step up education for party members in the concept of party spirit. 2) In conjunction with reforms of the wage and price systems, carry out education in ideals and discipline for staff and workers. 3) In conjunction with building socialist spiritual civilization, get a good grasp of education in professional, social, and family ethics. Ideological and political work should be done in a thoroughly sound and vivid way.

RURAL POLICY DIRECTOR DISCUSSES PRODUCTION

OW121246 Beijing Domestic Service in Mandarin 1600 GMT 10 May 85

[Text] According to a report by this station's reporter (Xiao Shoukang), Du Rensheng, director of Rural Policy Research Center of the Secretariat of the CPC Central Committee, said recently at the second national rural cooperative economy and enterprise management work conference: Currently, the main thing is to use market demand to push forward, guide, and adjust rural production. On the one hand, producers will receive some benefits; and, on the other, each producer will have to take some risks in the market. Therefore, we should do a good job in enterprise management by helping the peasants correctly understand and accept market information on the one hand, and convey to the peasants information on state's planned guidance, planned orientation, and planned demand, as well as its macroeconomic demand, on the other.

Comrade Du Rensheng also said: Through various kinds of management service work, we should positively guide the masses in starting a cooperative system which is more diversified and more compatible with the laws of objective development to enable commercialization and cooperation to advance simultaneously. There are many tasks in the enterprise management work, but the most urgent ones at present are to help solve the peasants' blind production problem for one thing, and to help solve the problem of purchasing grain, cotton, and pigs.

JIANGSU PEOPLE'S CONGRESS HOLDS PLENARY MEETING

OW130021 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 11 May 85

[Text] The third session of the sixth provincial people's congress held a second plenary meeting at the Nanjing Great Hall of the People this afternoon to hear work reports by He Binghao, vice chairman of the provincial People's Congress Standing Committee; Zhu Ze, president of the provincial Higher People's Court; and Qin Jie, chief procurator of the provincial People's Procuratorate.

Executive chairmen of the session seated in the front row on the rostrum were Han Peixin, Shen Daren, Sun Han, Yuan Bin, Xu Zhi, (Deng Hongxun), Duan Xushen, (Jiang Zhushan), (Li Dengxian), (Jin Jipeng), (Jiang Guitong), (Gao Dezheng), (Su Helin), and (Zheng Suzhen).

Comrade Sun Han declared the plenary meeting open at 1500. A total of 1,009 deputies were present. Vice Chairman He Binghao made a report on the work of the provincial People's Congress Standing Committee over the past year. The report was divided into four parts: 1) Persist in proceeding from reality in formulating local laws; 2) intensify the reinforcement of laws and supervision of work centered on the economic development; 3) strengthen the building of socialist democracy by summing up experience and advancing step by step; and 4) improve the work of the provincial People's Congress Standing Committee in order to cope with new demands.

On the work of law reinforcement and work supervision, Vice Chairman He Binghao said: The provincial People's Congress Standing Committee carried out the work in two fields; that is, to intensify the reinforcement of the laws, especially economic laws, and intensify administrative, trial, and procuratorial work centered on economic development.

President Zhu Ze made a report on the work of the provincial Higher People's Court in the past year in the following five fields: continuing to deal seriously with criminal offenses and economic crimes, stepping up the trial of civil lawsuits, making active efforts to hear cases involving economic disputes, conscientiously investigating and handling petitions and doing a good job in receiving letters and visits from the people, and strengthening the building of the ranks of court personnel.

Chief Procurator Qin Jie made a report on the work of the provincial procuratorate in the past year in the following five fields: penetratingly unfolding the struggle to strike at criminal offenses, stepping up efforts to clamp down on serious economic crimes, investigating unlawful acts of violating laws and discipline, actively coordinating the efforts of all quarters in combating crimes, and stepping up the building of the ranks of procuratorial personnel.

WANG DAOHAN AT SHANGHAI ASSOCIATION'S INAUGURATION

OW061421 Shanghai City Service in Mandarin 0100 GMT 6 May 85

[Text] According to JIEFANG RIBAO and WENHUI BAO reports, the Shanghai Municipal Entrepreneurs' Association, founded by the Shanghai Municipal (she lian) Educational, Scientific, Cultural, and Intellectual Development Company, was inaugurated on 5 May. (Tai Beihua), economist and deputy secretary general of the Standing Committee of the municipal People's Congress, is president of the association.

More than 100 plant directors and managers from Shanghai Municipality and the Shanghai Economic Zone attended the inaugural meeting at the Shanghai Exhibition Hall.

Wang Daohan, mayor of Shanghai Municipality, and Xia Zhengnong and Yu Guangyuan, members of the Central Advisory Commission, attended the inaugural meeting to extend congratulations.

LI LIAN INSPECTS HEILONGJIANG COUNTIES

SK100555 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 9 May 85

[Excerpts] From 5 to 7 May, Li Lian, secretary of the provincial CPC Committee, made an inspection tour of Yaban, Mulan, Tonghe, and Fangzheng Counties. In his speeches, he stressed that cadres at all levels should keep abreast of and promote the development of the rural socialist commodity economy not only in the guiding ideology but also in the practical work. Meanwhile, they should pay attention to building spiritual civilization in rural and urban areas.

When inspecting the Bayan County situation on building civilized towns, Li Lian affirmed the county's achievements in this regard, and encouraged it to make continuous efforts. He pointed out: Achieving success in building civilized towns is important to promoting the development of socialist construction. At present, we should pay attention to the following three issues: 1) Focusing on the ideological education, we should conduct education on communism, socialism, collectivism, and patriotism among the people through various methods and in accordance with the people's aptitude. 2) We should raise the levels of scientific and general knowledge of cadres and the masses, and make great efforts to popularize legal knowledge among them. 3) In developing various cultural undertakings, we should give considerations to the existing financial capacity and the people's practical needs and educational level, and should never force and order the people to develop or attend useless cultural classes.

With regard to the development of town- and township-run enterprises, Li Lian said: When town- and township-run enterprises initiate a new project, they must first of all conduct a forecast and feasibility study.

Comrades in Tonghe County said that thanks to the economic contract system, the county-run enterprises there have achieved remarkable economic results. Li Lian said: This is a good method which merits popularization. The basic reason why some enterprises have always sustained losses is the practice of eating from a common big pot. Although the scale of town- and township-run enterprises is small, their problem of eating from a common big pot is serious. To solve this problem, we should properly separate the ownership of enterprises from the powers to manage and operate enterprises, and should let each level assume responsibility for its own affairs, just like we did in rural areas.

In Mulan, Tonghe, and Fangzheng Counties, Li Lian also spoke on exploitation and utilization of the water resources of the Songhua Jiang. He said: To exploit and utilize the water resources of the Songhua Jiang and its tributaries, we should engage in transport, breeding, and aquicultural industries, and particularly water transport. Comprehensively exploiting and utilizing the water resources of the Songhua Jiang should be regarded as an important part of the province's economic development.

While inspecting Fangzheng County, Li Lian inquired about the detailed situation on the popularization of the technology of planting paddy rice in cold areas. Li Lian said: Fangzheng County's technology of planting paddy rice in cold areas has played an important role in developing the provincial paddy production. The method for popularizing this technology is also very good.

LI DESHENG, GUO FENG OPEN SHENYANG SPORTS GAMES

SK070626 Shenyang LIAONING RIBAO in Chinese 24 Apr 85 p 1

[Excerpts] An opening ceremony for the seventh sports games of the Shenyang Military Region was held on the evening of 23 April. Attending the opening ceremony were leading comrades of the military region and organs under the military region, including Li Desheng, Liu Zhenhua, Yuan Jun, Gao Ke, Cheng Zemin, Zhang Jiecheng, Liu Decai, Nie Jichong, Ma Ying and Ze Zhongyu; and leading comrades of Liaoning Province and Shenyang City, including Guo Feng, Dai Suli, Li Tieying, Sun Weiben, Li Changchun and Li Zemin.

GANSU HOLDS DISCIPLINE INSPECTION WORK CONFERENCE

HK100246 Lanzhou Gansu Provincial Service in Mandarin 2300 GMT 8 May 85

[Text] The provincial work conference on discipline inspection, which opened on 4 May, concluded yesterday afternoon in Lanzhou.

The conference conveyed and acted in the spirit of the national work conference on discipline inspection, which was held by the Central Advisory Commission in Zhengzhou. It also exchanged experiences in correcting the new malpractices throughout the province in recent months. It had analyzed problems in this work, studied specific measures, and defined tasks in the following stage.

The conference held that after more than 2 months of efforts, the province has made remarkable achievements in eliminating malpractices. It has closed 26 enterprises run by party and government organs or their cadres. Some 42 enterprises have severed their connections with the organs and are now run by units concerned. Part of the public funds and loans involved has been collected. In addition, the enterprises have paid overdue bonus taxes totalling 7.9 million yuan, or 71.3 percent of the total overdue taxes. Furthermore, the province has greatly checked the malpractice of arbitrarily hiking prices.

The conference stressed that although the province had made remarkable achievements in eliminating malpractices, it must continue to work hard since the work of correcting and handling malpractices is still very arduous. It should conscientiously draw distinctions in accordance with the party's policies. The province should also grasp and seriously deal with those major and important cases in which leading organs and leading cadres at and above county level have taken advantage of their offices for personal gain.

At yesterday afternoon's session, Liu Bing, deputy secretary of the provincial CPC Committee, delivered a speech.

GANSU LEADERS CALL FOR DEVELOPING TERTIARY INDUSTRY

HK100250 Lanzhou Gansu Provincial Service in Mandarin 2300 GMT 8 May 85

[Excerpts] According to GANSU RIBAO, in the morning of 8 May the province's leaders held an on-the-spot meeting in Lanzhou City. The purpose was to urge the city to adopt a strategic view, to form breakthrough points, and to regard the development of the tertiary industry as an important content of reform of the urban economic structure. They should promote large-scale development within 2 to 3 years, and they should promptly put an end to the present situation.

The meeting was attended by Li Ziqi, secretary of the provincial CPC Committee; Governor Chen Guangyi; Jia Zhijie, deputy secretary of the provincial CPC Committee; Wang Jingtang and Wang Daoyi, leaders of Lanzhou City CPC Committee and government; responsible persons of departments concerned under the provincial authorities; and responsible persons of departments concerned under the Lanzhou City CPC Committee and government.

At the meeting Li Ziqi, Chen Guangyi, and Jia Zhijie put forward their suggestions on Lanzhou City's development of the tertiary industry. In their speeches they unanimously stressed that the development of the tertiary industry is an important content of reform of the urban structure. When judging the economic development of a city, not only must we proceed from its gross industrial and agricultural output value but we must also take account of the gross national income value, which includes the tertiary industry, it is very important that we must emancipate our minds and spare no efforts on this work. Within the limits permitted by policies and the law, anyone can do whatever he can. We must integrate this work with urban reforms and industrial and agricultural production. It should serve industrial and agricultural production as well as the open-door policy and the socialization of the livelihood of cities.

PAI HSING INTERVIEW IN U.S. WITH WANG ZHEN

HK080624 Hong Kong PAI HSING in Chinese No 95, 1 May 85 pp 42-44

[Special dispatch from Los Angeles by Wang I-ling: "A Conversation with General Wang Zhen on World Affairs" -- article written in Chiyun Court, California, in February 1985"]

[Text] In the top echelons of the CPC Central Committee, the legendary figure Wang Zhen has enjoyed a well-earned reputation since the period of the war of resistance against Japan. Recently he made a private trip to the United States. On the way to Los Angeles, I was lucky to have the opportunity to be in the same car with him for about 3 hours. I never expected that this old general would be amiable and easy to approach. What is more, I never expected that at the age of nearly 80, he, a brilliant conversationalist, would take the initiative and would keep up a constant flow of words.

After the event, I wrote down what we had discussed cheerfully and humorously. Now I present it to you.

He is Most Fond of "Romance of the Three Kingdoms"

He first asked me (the reporter) about my profession when I was in China. I said in reply: "I have been an editor in the classical literature field for 20 years or more. I also know that our revered Mr Wang has made great accomplishments in poetry. I have had the pleasure of perusing your ancient-style poems."

He smiled. A bodyguard who sat in front of him chipped in: "Our revered Comrade Wang is most fond of 'Romance of the Three Kingdoms.'"

Reporter: "Is that so? The 'Romance of the Three Kingdoms' is really an extraordinary classical work. In particular, the first several lines of the work, which read, 'All things under heaven will become divided after having been long amalgamated and become amalgamated after having been long divided' are indeed brilliant remarks which are easy to understand. They are so famous that they are known even to women and children. It is justifiable to call them the most-read famous phrases in Chinese literary works."

The revered Mr Wang: "In today's world, if a nuclear war breaks out, we must use another idiom to describe it, namely, being destroyed together."

Reporter: "In your judgment, will nuclear war break out?"

The revered Mr Wang: "I think it will not. Of course, there are maniacs in this world, but they constitute a minority."

Consul General Tang, who sat beside him, chipped in: "A powerful China serves as a stabilizing force in the world."

Reporter: "American Sinologists also hold a similar view. The keynote of the book 'China Policy for the Next Decade' which was published recently is that an economically progressive China with a government capable of steadily controlling the entire people is mainly in the interests of the United States."

While Consul General Tang, who had read the book, and I restated from memory the contents of the book, he briefed Mr Wang on the book, saying that it is a new book written by dozens of specialists. Having listened to the briefing with great interest, the revered Mr Wang said: "That's right. Americans should study China thoroughly and the Chinese should study the United States that way, too."

On the Beginning of Times of Peace and Prosperity in China

Reporter: "Have you, our revered Mr. Wang, been to the United States before?"

The revered Mr Wang: "I haven't. This is my first trip."

Reporter: "How many places have you visited?"

The revered Mr Wang: "I came here from Washington and New York and I am to leave here the day after tomorrow for home via Honolulu, where I will stay for a few days."

Mr Tang: "The main reason for staying there is to let our revered Comrade Wang rest there for a while and to help readjust to the time difference."

Reporter: "That's right. The time difference makes people feel very weary, and especially the trip from China to the United States, where one has to miss a night's sleep, is all the more harmful to the health. It seems our revered Mr Wang is in excellent spirits."

The revered Mr Wang: "It's just all right."

Reporter: "I did meet with some visitors from China. Even after being here for 3 weeks, they still had difficulties adapting themselves to the time change and Western-style food. Consequently, they were unable to exert themselves all the time."

The revered Mr Wang: "I have no trouble with Western-style food. It will not do not to touch Western-style food while we are in foreign countries."

Reporter: "After learning first-hand about what is going on here, what are your impressions of the United States?"

The revered Mr Wang: "As far as the United States is concerned, it is really a big country."

Reporter: "Now there are some people who are worried about the stability of the situation in China. China's present situation is quite all right. But what will happen in the future? Can there be any relapses then?"

The revered Mr Wang: "I like to discuss historical events with people. The Xia, Shang, and Chou Dynasties lasted for 800 years; the Han Dynasty, 400 years; the Tang Dynasty, up to 300 years; and the Song Dynasty, more than 200 years. The Ming and Qing Dynasties also lasted for 200 to 300 years each."

Mr Tang chipped in: "Our revered Comrade Wang meant that judging from the history of China, the times of peace and stability in our history are longer than the times of anarchy and disorder."

Reporter: "As far as history is concerned, can we approach it this way, namely around the Opium War in the mid-19th century, China began entering a period of anarchy and disorder, which lasted to the downfall of the gang of four and the drive to bring order out of chaos. Only then can China be said to have begun to enter a period of peace and stability?"

The revered Mr Wang: "We must not view it that way. Since Chairman Chiang went to Taiwan, the Chinese mainland has never been divided. In the turbulent situation during the Great Cultural Revolution, not a single province ever proclaimed independence."

Reporter: "What you mean is that the times of peace and stability which prevail now began in 1949."

The revered Mr Wang: "That's right."

After pondering the problem for a while, when I was about to ask a question in reply, the revered Mr Wang said: "As for Taiwan, we are determined to reunify it by peaceful means."

Reporter: "China need reunification. There is no problem at all with this major premise. However, in view of the present situation, I am afraid this cannot be achieved, because reality shows reunifying the country will take time. Since Taiwan has persistently refused to hold any talks, some people in foreign countries are worried that China cannot afford to wait any longer and will use force."

The revered Mr Wang: "We have patience. Some people in the United States regard Taiwan as an unsinkable aircraft carrier. This aircraft carrier will not sink, but as Deng Xiaoping stated, we have the capability to impose a blockade on it."

Reporter: "But imposing a blockade means using force."

The revered Mr Wang: "The United States must not interfere in the internal affairs of other countries everywhere in the world."

Wang Zhen's Position: To Oppose or To Support Deng

Reporter: "In the United States there have been many articles concerning you in the last few days. In an article published in the latest issue of an English-language magazine, a Chinese-American professor analyzed the present situation in the top echelons of the CPC Central Committee, listing you, Chen Yun, and Peng Zhen as the force opposed to Deng. Three days ago veteran journalist Lu Keng reported your visit to the United States in a Chinese-language newspaper with a review which said that you are a Deng supporter. He cited instances to illustrate that when you were in Xinjiang, you took good care of the banished rightist scholars and later took great risks to protect some veteran cadres during the Great Cultural Revolution. All this is identical with Deng's views. Most important is that you played an important role as a go-between in reinstating Deng. Therefore, Lu Keng argued that you could not be regarded as a member of the faction of Deng opponents."

He listened carefully and then smiled. Before he stated his position Mr Tang chipped in: "The assertion that our revered Comrade Wang is opposed to Deng originated from the views of some people in Hong Kong."

The revered Mr Wang: "Whenever Deng Xiaoping traveled around the country, he liked to have me accompany him. In the past when Marshal Ye traveled around the country, he also liked to have me as his companion. Last winter when Deng Xiaoping visited Shenzhen he also asked me to go with him. For this reason, people in Hong Kong said that I was invited to go there to receive education because I was opposed to the open-door policy."

I. 13 May 85

W 4

CHINA
HONG KONG MEDIA ON CHINA

Reporter: "As far as comments in Hong Kong are concerned, there are still others to cite. Not long ago some people said that you were the backstage boss of Deng Liqun."

Laughing, he immediately went on to say: "Still other people said that Deng Liqun was my idea man. Hm hm, I am not qualified for that."

Mr Tang: "In fact, our revered Comrade Wang has been all along in Xinjiang and never lived or worked together with Deng Liqun at all."

The revered Mr Wang: "I once worked with him. At that time I was secretary of a leading party group and Deng Liqun was its secretary-general."

Reporter: "Apart from noting that you took good care of talented people in Xinjiang, Lu Keng's article also says that the original purpose of stationing you in Xinjiang was to carry out land reclamation for agricultural use in name but to guard against the Russians in reality, though covertly. I think this is only Lu Keng's guesswork."

Mr Tang: "We cannot say there is no truth at all in the remark."

The revered Mr Wang: "That's right. My assignment at that time showed the great foresight of Chairman Mao, Premier Zhou, and Deng Xiaoping."

Reporter: "In its relations with the Soviet Union, now China adheres to three conditions, including a Soviet troop withdrawal from China's borders, its pullout from Afghanistan, and a halt to its support for the Vietnamese occupation of Cambodia. This has enjoyed popular support."

The revered Mr Wang: "There are no indications revealing any change in the Soviet stance at present."

Reporter: "Therefore, it is necessary to adopt an uncompromising stand toward the Soviet Union."

"The Third Wave" Is Well Worth Reading

Pointing at the expressway outside the window, the revered Mr Wang asked me: "What is the width of this kind of expressway in the United States?"

Reporter: "It is not standardized. In a highway expressway there are sometimes two to four traffic lanes and sometimes even five or six lanes."

The revered Mr Wang: "Then what is the width of each lane?"

Reporter: "Oh, I really have no idea." Turning around, I asked the old American driver, but he could not tell me either.

The revered Mr Wang: "I have recently read two books, 'The Third Wave' and 'X X.' They were quite good."

Failing to clearly hear the name of the latter book due to his strong Hunan accent, I begged him to reply once again. He repeated, telling me the book's name. However, I still failed to clearly hear the name, in part because my hearing is bad and in part because I had never heard of such a book owing to my being ignorant and ill-informed. I just heard the Chinese character of "de" [4104] and I thought it must be a book translated from a foreign language. Hesitating to ask again, I said: "I very much admire your persistence in study. I am sorry I have not yet read them."

The revered Mr Wang: "They were well worth reading."

Reporter: "The veteran journalist Lu Keng whom I mentioned before also wrote an article about his interview with Zhang Aiping."

The revered Mr Wang: "Well?"

Reporter: "After publication the interview attracted a good deal of attention because some arguments were previously unknown to outside circles, such as Zhang Aiping saying Comrade Hu Yaobang was prepared to hand over power to Zhao Ziyang."

The revered Mr Wang: "Well?"

Mr Tang: "After all, Hu Yaobang is general secretary of our party and Zhao Ziyang is already premier of the State Council."

Reporter: "The Chinese are indeed a clever people. I have persistently held that the Chinese are the cleverest, most outstanding people in the world. However, some people may not agree with my view, because it smacks of racism. Do you agree with this?"

The revered Mr Wang: "China has a huge population. Therefore it is naturally easier for it to produce talented people."

Reporter: "At present people are talking about the worries that after the legendary Chinese leaders of the older generation who enjoy high prestige among the masses are gone, whether the second or third-echelon leaders can succeed their predecessors in a smooth and steady manner."

The revered Mr Wang: "Bo Le could identify a qianlima (a horse which could cover a thousand li a day) from among a herd. There are both Bo Les and qianlimas around us."

Reporter: "Even today there are some leftists who are still active in making trouble. Not long ago, He Jingzi was out to persecute people, causing a state of extreme nervousness among the people concerned. It was only after Hu Qili made statements on this matter that people felt relieved again. Literature and art, rather than politics or economics, are a good test of the intentions of certain policies, since they indicate the trend of major policies. For this reason people overseas were highly sensitive to the matter."

The revered Mr Wang: "The core of leadership of the CPC held a unanimous view on that matter. Sometimes specific individuals may have differing opinions on specific problems. This being the case, they are also encouraged to observe the practice of seeking common ground on major issues while preserving differences on minor ones as Chairman Mao, Premier Zhou, Deng Xiaoping, Ye Jianying, and Li Xiannian have done. As for the event that took place in the China Federation of Literature and Art Circles, Comrade Xiaoping said on that occasion: Is the China Federation of Literature and Art Circles actually leading the party or vice versa? The event was resolved later. As for He Jingzi, he has written pretty good poems."

Reporter: "Apart from the problems in the literature and art community, is the situation in the military circles stable or not? In the preceding period personnel transfers were made in the ten military regions, with the exception of Li Desheng."

The revered Mr Wang: "Li Desheng has not reached the age limit and, moreover, he has made a self-criticism on his activities during the Great Cultural Revolution."

Which Has Greater Authority, the Party or the Law?

An embassy secretary who sat in the front seat of the car said: "This matter depends mainly on whether or not we take the road of legality. With legal institutions, we have the guarantees we need."

Reporter: "That's right. Well said! It is necessary to depend on the legal system. Rule by man is by no means reliable."

The revered Mr Wang: "The Communist Party is the force at the core of leadership. It will coexist for quite some time with various democratic parties and supervise one another. It should carry out its activities within the limits prescribed by the Constitution."

Reporter: "There is one problem to solve. People used to say in China that the Communist Party exercised leadership over everything. Which has greater authority, the law and the party?"

The revered Mr Wang: "The Communist Party must become a model in abiding by the Constitution."

Reporter: "Can the present open-door policy last long?"

The revered Mr Wang: "With regard to the open-door policy, in his works, Chairman Mao long ago defined it clearly. Premier Zhou and Deng Xiaoping have also persistently advocated opening to the outside world. In the past it was not that we did not want to open our country to the outside world but that foreign countries imposed a blockade against us. With the blockade imposed on us, we could do nothing but leave it alone and, consequently, China's development was hampered a little. However, nothing can block us from developing."

Reporter: "What are the main problems now facing your country?"

The revered Mr Wang: "We are determined to rectify party discipline. Corruption is definitely intolerable. A man may be poor, but he must have high aspirations, and so it is with a country."

Reporter: "Some people do not agree with the four upholds. Neither do I. It is acceptable to say the Communist Party exercises leadership. The leadership of a political party is indispensable to the stability of China. No one wishes to see any more chaos in China. Since the Communist Party is capable of keeping China stable, let it exercise leadership. However, why should Mao Zedong Thought be upheld? Obviously, without Mao's backing, it would have been impossible for the gang of four, with a limited force, to cause such a disaster as the Great Cultural Revolution. For this reason, I do not agree with the current appraisal of Mao, and still less uphold his thought. The appraisal you revolutionaries of the older generation made of him is based on personal feelings. Some people say you are foolishly loyal to him."

In uttering these remarks, I plucked up my courage a bit, because this meant nothing but reprimanding a person to his face. Speaking so bluntly to a person of my father's age seemed to be somewhat offensive. So I carefully watched his expression when I uttered my remarks, but I found him not irritated at all. Instead of feeling offended, after calmly pondering the matter for a while he said: "By upholding Mao Zedong Thought, we mean holding firmly to the truth."

Because the conversation was carried out in the form of a chat and in an on-again, off-again manner, with no definite topics previously set, I was unable to write down in great detail what we discussed then. Therefore, what I wrote above is naturally not a complete account of our conversation. However, I have tried to retain the truth in my account. I will be responsible for discrepancies, if any.

XINHUA HONG KONG NAMES NEW DEPARTMENT HEADS

HK110500 Hong Kong SOUTH CHINA MORNING POST in English 11 May 85 p 1

[By Terry Cheng]

[Text] The Hong Kong branch of the NEW CHINA NEWS AGENCY has appointed heads for some of its new departments. Among them are Mr Yang Oi of the publicity department, Mr Han Li of the recreational department, and Mr Ji Shaoxiang of the foreign affairs department. Mr Mo Kun-nin and Mr Li Wai-ting will head the cultural affairs and the research departments respectively, but their titles could not be established yesterday. The names of other departmental heads still unavailable are those for economy, technology, social services, co-ordination and administrative work -- and some others.

The status of the department heads is said to be higher than that of bureau chiefs in Chinese provinces.

Mr Yang, a veteran of the NCNA local branch, was also recently appointed secretary-general.

Mr Han, who was with the branch's publicity unit for a considerable time, was transferred only recently to take charge of the recreational department.

Mr Ji, who served in the Chinese Foreign Affairs Ministry before his posting here, is now acting head of the foreign affairs department.

He was in the Chinese team led by the NCNA director, Mr Xu Jiatun, that accompanied the governor, Sir Edward Youde, on his recent visit to China.

Mr Mo, who is a vice secretary-general, heads the cultural affairs department. A graduate of the University of Hong Kong, he was a teacher in a government-subsidised secondary school before he joined the NCNA.

Mr Li, another local recruit, who heads the research department, formerly held the rank of vice-chief editor.

The NCNA's news division has also be formally divided into departments, such as one on Hong Kong and Macao, and the Asian and Pacific region. The division headed by a vice-director, Mr Chen Bojian, has a higher status than those of the departments. It will be housed later this month separately from NCNA headquarters in Queen's Road East, Wanchai.

NCNA has operated units with similar functions to the new departments. However the responsibilities of the units were not clearly defined and their members held no appropriate titles.

NCNA hopes the restructuring will define more clearly its internal division of work and enable it to liaise more efficiently with various sectors of the community. The new setup is based more or less on conventional organizations in Hong Kong.

END OF

FICHE

DATE FILMED

15 May 85

